

STATE BOARD OF HIGHER EDUCATION  
Minutes – June 18-19, 1998  
Mayville, North Dakota

The State Board of Higher Education met June 18-19, 1998 at the Luckasen Room on the campus of Mayville State University. The president called the meeting to order at 1:00 p.m. Members present were:

Paul Ebeltoft, President	Beverly Clayburgh
Joe Peltier, Vice President	Craig Caspers
Cynthia Kaldor	Shane Waslaski, Student Member
Jeanette Satrom	Kay Fulp, Faculty Representative
Jack Hoeven	

President and Executive Deans present were:

Dr. Ken Baker, UND	Dr. Erik Shaar, MiSU/MiSU-BC
Dr. Ellen Chaffee, MaSU/VCSU	Garvin Stevens, UND-W
Dr. Jerry Olson, NDSCS	Dr. Donna Thigpen, BSC
Dr. Sharon Etemad, UND-LR	

Dr. Allan Fischer, NDSU, attended in place of Dr. Thomas Plough  
Dr. Rich Brauhn, DSU, attended in place of Dr. Phillip Conn

Staff members present were:

Larry A. Isaak, Chancellor  
Michel Hillman, Vice Chancellor for Academic Affairs  
Laura Glatt, Vice Chancellor for Administrative Affairs  
H.P. Seaworth, General Counsel & Executive Secretary  
Eddie Dunn, Executive Director, College Technical Education Council  
Carol Asplund, Administrative Officer  
Sheila Tibke, Administrative Secretary

Former Representative Lee Kaldor, Representative Ole Aarsvold, and Senator Elroy Lindaas attended portions of the meeting.

Minutes

**It was moved** by Mrs. Kaldor, seconded by Mr. Waslaski, and unanimously carried to approve the minutes of the May 21, 1998 meeting as distributed.

## Board President's Report

President Ebeltoft announced the formation of the search committee for the president of NDSU.

Bruce Furness, Chair	<u>NDSU Development Foundation</u>
<u>Faculty Members</u>	John Paulsen
Stephen O'Rourke	<u>Staff</u>
Earl Stegman	Beth Braaten
Frank Yazdani	John Osborne
James Venette	<u>Administration</u>
Dave Danbom	Kate Haugen
Harriett Light	<u>Alumni Association</u>
Karen Froelich	Steve Swiontek
Ken Nygaard	<u>Students</u>
Kathleen Tweeten	Jeremy Greene
<u>Ag Research Board</u>	Jill Hoffmann
Jerry Doan	<u>Board Members</u>
<u>Chamber of Commerce</u>	Joe Peltier
Richard Walstad	Jeanette Satrom
<u>Team Makers</u>	<u>Ex-officio</u>
Joan Deal	Larry Isaak

President Ebeltoft also announced the members of the search committee for the president of DSU.

Dennis Johnson, Chair	<u>Community Members</u>
<u>Faculty</u>	Lori Hauge
Doug LaPlante	Jack Olin
Deb Hourigan	Marie Arnold
Hardin Aasand	Carol Dilse
Scott Burket	John Hendrickson
Pat Gantt	<u>Students</u>
Eileen Hubsy	Dusty Karlstrom
David Meier	Nicole Kitzan
<u>Board Member</u>	<u>Ex-officio</u>
Paul Ebeltoft	Larry Isaak

## Chancellor's Report

Chancellor Isaak presented an employment contract for Dr. Donna Thigpen, President BSC effective July 1, 1998 – June 30, 2001. **It was moved** by Mrs. Satrom, seconded by Mrs. Clayburgh to approve the contract. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried. Exhibit A.

Chancellor Isaak also distributed proposed compensation for presidents for 1998-99. **It was moved** by Mr. Peltier, seconded by Mrs. Kaldor to approve the proposed presidents' compensation and contracts for 1998-99 as distributed. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried. Exhibit B.

Chancellor Isaak reported on the meetings of interim legislative committees. The Legislative Audit and Fiscal Review Committee accepted the revised FY 97 NDUS consolidated financial statement. The Budget Section approved the increased cost for the Engineering/Architect Addition at NDSU from \$1.2 million to \$1.6 million in local funds and using balance of the bonding made available by the 1995 legislature for the connecting walkway at Abbott Hall at UND.

The Chancellor also reported that new legislation that has been asked for by the Legislative Audit and Fiscal Review Committee would not be good legislation for NDUS. It would take away flexibility and put more restrictions on operations at a time when the Board is trying to provide flexibility to the campuses. The bill would prohibit state agencies from contracting for services during the current biennium if the payment of the service extends beyond the current biennium.

### **Council of College Faculties Report**

Ms. Fulp indicated that the Council of College Faculties will have a summer executive committee meeting and she will express to them that the Board of Higher Ed would like to have a face-to-face discussion with the faculty at one of its upcoming meetings. Ms. Fulp introduced Bethany Andreasen, the new faculty representative on the Board.

Ms. Fulp thanked the Board for their courtesy, friendship, and for sharing information with the faculty.

### **Special Orders**

#### Presentation of Demographics

Dr. Richard Rathge, NDSU, updated the Board on the demographic/economic changes in North Dakota. Movement in the state is from the west to the east. Young people (20-30 year olds) who had moved from our state in the 1980's could cause a decline in enrollment for the campuses in the next ten years. The industrial mix in ND will change the direction for higher education – education, training, how the NDUS positions itself for the changes in the industrial mix. More than half of ND's population lives in the 17 urban centers (2,500 or more residents). The average community size in ND is less than 200 people. Dr. Rathge believes that the Board needs to start thinking of (1) addressing the shift in distribution of potential students, (2) changing or developing plans for the changing density of campus service areas, and (3) conduct an internal audit to determine movement within the System and matriculation. He said the Board should address a possible reduction in the traditional student body and explore the educational

needs of nontraditional students. Dr. Rathge said we are in the information age and ND is one of the leaders in the nation for using technology for education. Dr. Rathge said we need to adopt technology and use the technology to overcome the barriers we have in our state which include distance, distance to market, service area distance, and changes in occupation. ND needs to provide employment opportunities for the changing needs in the state.

#### 1999-2001 Needs-Based Budget Priority List

Ms. Glatt reviewed the recommendation from the Cabinet concerning the guidelines for the 1999-2001 needs-based budget request. The five percent funding reduction of \$17,177,814 is restored to each campus as it was cut. It is to be used for restoration or reinvestment in new programs, salary increases, technology, or maintenance. The remainder of the list requires new general fund appropriations. Item #2 will need to be amended to include \$125,446 for flood insurance premiums **UND** is now required to carry. The Cabinet recommends moving #23 MHEC membership to #7 on the priority list. The 5 percent campus restoration plans will be reviewed at the July Board retreat.

**It was moved** by Mr. Peltier, seconded by Mrs. Kaldor to approve the needs-based budget as presented including amending item #2 to include the \$125,446 premium for **UND's** flood insurance and moving item #23 MHEC to #7.

President Ebeltoft suggested moving item #22 to item #16, item #25 to item #17, Marketing Plan to #18, Annual Mtg. of Business and Industry to #19, and Follow-up surveys to document NDUS effectiveness to #20. Chancellor Isaak suggested combining these five items into one item called Board Initiatives totaling \$590,000 and making it #17.

**It was moved** by Mr. Peltier, seconded by Mrs. Kaldor to amend the original motion with a change of adding #17 Board initiatives in the amount of \$590,000 which includes #22, #25, Marketing Plan, Annual Mtg of Business and Industry, and Follow-up surveys to document NDUS effectiveness. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried.

Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye on the motion as amended. The motion carried.

Chancellor Isaak thanked the Board for approving the needs-based budget. He indicated that the Governor's budget process allows for a needs-based budget so it is not in conflict with the Governor's budget process. The Governor asked the institutions to prepare a 95 percent budget but his guidelines also permits state agencies and entities to request an optional budget package and that is what this needs-based budget does.

#### Additional reduction at UND and the Medical School

Ms. Alice Brekke distributed and reviewed the revised reduction plan requested at the May Board meeting for **UND** and the Medical School to cover the costs of continuing operations including FY 99 salary increases and inflation. Under this proposal, the Geology Library would merge with the Chester Fritz Library for a savings of \$25,000. Also, based on an average faculty salary and fringe benefits of \$58,133, a savings of \$290,665 which represent the reduction of five

FTE would be saved from closing seven programs as discussed in the original proposal. The programs affected have not yet been identified but the savings will be used to support continuing costs. The institutional total for both equipment and capital improvements will be reduced by 5 percent of the general fund amount which is \$85,616. Utility costs are predicted to increase by less than 6 percent per year, thus \$218,620 has been cut from the to-continue-costs for an overall increase in utilities of 3.55 percent. Additionally, operating budgets were not adjusted for inflation. As a result, departments will have less operating money. The School of Medicine & Health Sciences developed a plan that calls for no reduction in academic programs, but instead generates additional revenues and operating efficiencies to allow for the continuation of all existing programs and costs. The plan would start in fiscal year 1999-2000 and take five years to fully realize all budgetary goals. The target for budgetary savings is \$2,042,982 for each biennium. The plan generates long-term budget gains of \$1,555,376 for the 1999-2001 biennium which leaves them short of the long-term goal by \$487,606. They intend to reach the target in the 1999-2001 biennium through conservative management of open salary positions, instructional pool positions, and operating efficiencies.

Looking at the long run, Chancellor Isaak said that UND and MiSU, due to revenue reductions this biennium, have already made significant program reductions and restructuring. This will likely be a permanent realignment and not a short-term situation. Further permanent changes may be likely next biennium if further enrollment declines materialize.

1999-2001 Major Capital Project Priority List

Ms. Glatt reviewed the Chancellor's recommended 1999-2001 major capital project priority list. Only the ranked projects, totaling \$25,192,764 in State funds and \$9,823,860 in local funds for a total of \$35,016,624, will be included in the budget request from all sources. The unranked projects would have to be considered in a subsequent budget process.

		<b>Renovation/Remodeling/Infrastructure</b>	State Funds	Local Funds	Federal Funds	Total Funds
**	BSC	Student Union Renovation		\$250,000		\$250,000
**	NDSU	College of Business-Offices & Classrooms Addition		5,998,860		5,998,860
**	NDSU	Sudro Hall (Pharmacy) Renovation		1,500,000		1,500,000
1	System	Infrastructure Pool	\$10,000,000			10,000,000
		Possible projects to be funded include				
	NDSCS	Steam Line Replacement (Tunnel)	1,606,250			1,606,250
	NDSCS	Roof Replacement	1,198,000	224,000		1,422,000
	MaSU	Power Plant Improvements-Boiler and fuel storage tanks	760,000			760,000
	VCSU	Power Plant Improvements-Boiler & Fuel Storage	740,000			740,000
	NDSCS	Electrical Distribution	1,288,000			1,288,000
	MaSU	Steam Line Distribution Replacement (Tunnel)	1,050,500			1,050,500
	UND	Electrical Distribution System	3,500,000			3,500,000
	MiSU-BC	Fire Alarm System Upgrade-all buildings	68,500	60,000		128,500
	MiSU-BC	Thatcher Hall Air Conditioning & Electrical Supply Upgrade	46,975			46,975
2	UND-LR	Auditorium Renovation/addition	499,544	495,000		994,544
3	VCSU	McFarland, Vangstad Auditorium and McCarthy Sprinklers & Exit Upgrades	454,300			454,300
4	BSC	Schafer Hall Renovation-Phase II-with additions	3,426,000	1,580,000		5,006,000

5	MiSU	Old Main Renovation-Phase I	2,817,000			2,817,000
6	UND	O'Kelly Hall Renovation	5,000,000			5,000,000
7	NDSU	Ceres Hall Phase II Renovation	2,995,920			2,995,920
		<b>New Construction</b>				
**	NDSU	Health & Wellness Ctr		4,500,000		4,500,000
1	NDSU	Animal Research Facility	5,865,650	4,005,190	1,860,460	11,731,300
2	UND-W	Health & Wellness Center Addition	1,500,000	3,000,000		4,500,000

Ms. Glatt indicated that there were no local funds included in the original or revised budget request submitted by **NDSU** for the Animal Research Facility. The six-year plan the Board adopted suggests that all new construction must be matched by at least 50 percent from local sources. The project has been revised accordingly in this priority list based upon this six-year plan strategy. Dr. Fischer indicated that the commitment from the federal government for the Animal Research Facility will run out in September 2000. Chancellor Isaak reminded the Board that this project was on the priority list prior to the six-year plan.

**It was moved** by Mr. Peltier, seconded by Mrs. Clayburgh to allow flexibility in the request for the **NDSU** Animal Research Facility to ask for more state funds and not meet the 50 percent local match. \$8,870,840 state funds, \$1,000,000 local funds, and \$1,860,460 federal funds for a total cost of \$11,731,300. Mr. Waslaski, Mr. Caspers, and Mr. Peltier voted aye. Mrs. Satrom, Mrs. Kaldor, Mr. Hoeven, Mrs. Clayburgh, and Mr. Ebeltoft vote no. The motion failed.

**It was moved** by Mr. Hoeven, seconded by Mr. Peltier to approve the request to construct the **NDSU** Animal Research Facility **large** animal facility as the Board's #1 new construction priority at \$2,207,500 in state funds and \$2,207,500 in local and federal funds for a total cost of \$4,415,000. If NDSU is able to raise one-half of the total cost of the construction of the **entire** Animal Research Facility from local funds, they may proceed with the entire project as follows: \$5,865,650 state funds and \$5,865,650 in local and federal funds for a total cost of \$11,731,300. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried.

Following discussion of the ranking on the priority list **it was moved** by Mr. Peltier, seconded by Mrs. Satrom to reconsider the ranking on the priority list with a \$10,000,000 infrastructure pool listed as #1 under renovation and the Board individually rerank the remaining projects prior to June 30. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried. A revised recommendation will be brought to the July Board retreat based upon the input of the Board.

#### 1997-1999 Deficiency Appropriation Requests

Ms. Glatt gave an overview of the deficiency appropriation request relating to the flood of 1997 for **UND** of approximately \$5,7000,000, **NDSCS** of \$3,217, and **UND-LR** of \$200,000 plus interest. **UND-LR** had been given approval to obtain a loan at the Bank of North Dakota for the drainage system repairs for \$200,000. Total deficiency appropriation request for the current biennium relating to the flood of 1997 is approximately \$6,000,000.

**It was moved** by Mr. Peltier, seconded by Mrs. Clayburgh to approve the deficiency appropriation request related to flood activity and forward it to the Governor based upon final

figures approved by the Chancellor. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried.

#### 1997-1999 Revenue Shortfalls Campus Plans

Ms. Glatt reviewed the tuition shortfalls for 1998-99. The projected shortfalls for 1997-99 biennium for **UND-LR** is \$86,470, **UND-W** \$211,896, **UND** \$5,800,000, **NDSU** \$408,362, **MaSU** \$213,500, **MiSU** \$2,016,903, **VCSU** \$208,350, **MiSU-BC** \$42,948 for a total revenue shortfall of \$8,988,429.

**It was moved** by Mr. Peltier, seconded by Mr. Waslaski to approve the revenue shortfall plans submitted by the campuses. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried.

### **Consent Agenda**

Ms. Glatt informed the Board of a change to the lease regarding the IBM ThinkPad computers. The number of computers will fluctuate based upon enrollment in the fall. VCSU will review any changes with the Chancellor and modifications to the agreement would be subject to the Chancellor's approval.

**It was moved** by Mrs. Satrom, seconded by Mrs. Kaldor to approve the following consent agenda items 1 through 12. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried.

1. Accept grants and contracts received by **North Dakota State University**.
2. Permit **Valley City State University** to enter into a lease agreement with IBM Credit Corporation to finance 135 IBM ThinkPad computers with a lease value of approximately \$175,000 to be financed over 36 months. Student technology fee account will pay the cost of 70 machines for students, and operating appropriations will pay for the remaining 65 machines for faculty.
3. Adopt the recommended change to Section 3 – Application Procedures (which limits record updating through June 30 for an award) of the *Policy and Procedures manual for the North Dakota Student Financial Assistance Program* effective for award year 1998-99.
4. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding a contract to A&R Roofing for the Thorson Maintenance Center roof replacement at the **North Dakota State University** for \$91,120.
5. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding the architect contract for Seim Hall shower replacement at **North Dakota State University** to Henning, Metz, Hartford and Associates at an estimated cost of \$200,000.

6. Permit **North Dakota State University** to increase the spending authorization for the Engineering/Architecture Addition (Ehly Hall) per Budget Section's action from \$1,200,000 to \$1,600,000 and authorize the Vice Chancellor for Administrative Affairs to accept bids and award contracts.
7. Approve line item transfers for **North Dakota State University, ND State College of Science, Valley City State University, NDSU Extension Service, Carrington Research Center, and the NDUS Office** as proposed in their 98-99 annual budgets, subject to final review of the annual budgets by the Chancellor. Also approve the additional spending authority of \$169,431 for **Dickinson State University** and authorize them to seek Emergency Commission approval to spend an additional \$79,667, subject to final review of the annual budgets by the Chancellor.
8. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding a contract for the Memorial Stadium Turf Replacement project at the **University of North Dakota** to Valley Contracting Company (ground preparation) for \$770,661.50 and Martin Surfacing, Inc. (replace turf) for \$336,141.00 for a total bid of \$1,136,802.50.
9. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding a contract for the Pulver Hall/Wienbergen Hall parking lot improvements at **Dickinson State University** to Northern Improvement Company in a projected amount of \$123,336.09.
10. Accept a Resolution Approving the Issuance of \$695,000 State Board of Higher Education of the State of North Dakota, **Mayville State University** Student Center Refunding Revenue Bonds, Series 1998 and Authorizing the Execution of an Indenture of Trust, Escrow Agreement and Related Documents.
11. Permit the **University of North Dakota** to rename its Division of Student Affairs to the Division of Student and Outreach Services effective July 1, 1998.
12. Approve an organizational change at **Valley City State University** to realign the Technology Department and CIS program to the Division of Business.

### **300 Governance – Chancellor Isaak**

#### Appointment of members to the State Board of Agricultural Research

Tim Bryan appeared in front of the Board requesting to be reappointed to the State Board of Agricultural Research.

**It was moved** by Mrs. Satrom, seconded by Mrs. Clayburgh to appoint Tim Bryan and Jody Hauge to the State Board of Agricultural Research. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mr. Caspers, Mrs. Clayburgh, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried.



**400 Academic Affairs – Dr. Hillman**  
**500 Student Affairs – Mr. Seaworth**

Policies

Mr. Seaworth discussed a suggested change from the Cabinet on Policy 506.1 Immunization to exempt students attending camps and workshops. **It was moved** by Mr. Hoeven, seconded by Mr. Peltier to amend Policy 506.1 on second reading as recommended by the Cabinet and adopt the following policies on second reading and final passage as amended. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Caspers, Mr. Waslaski, and Mr. Ebeltoft voted aye. The motion carried. Exhibit C.

402.4 Admission Policies – Transfer Applicants

403.7 Common General Education Requirement and Transfer of General Education Credits

304.1 Chancellor/Commissioner of Higher Education Authority and Responsibilities

430.2 Faculty Emeritus Status

506.1 Immunization

Programs

Dr. Hillman presented requests from **Valley City State University** for authorization to terminate the current Majors in both Biology (B.S. in Education) and Chemistry (B.S. in Education) and approve two new majors: Composite Major in Biology (B.S. in Education) and Composite Major in Chemistry (B.S. in Education). **It was moved** by Mrs. Satrom, seconded by Mrs. Kaldor to approve these requests. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Waslaski, and Mr. Ebeltoft voted aye. Mr. Caspers was absent. The motion carried.

**600 Personnel – Dr. Hillman**

Tenure

Dr. Hillman presented a request from **North Dakota State University** recommending that tenure be granted to Dr. Paul Gleye. **It was moved** by Mr. Hoeven, seconded by Mr. Waslaski to grant tenure. Mrs. Kaldor, Mr. Peltier, Mrs. Satrom, Mr. Hoeven, Mrs. Clayburgh, Mr. Waslaski, and Mr. Ebeltoft voted aye. Mr. Caspers was absent. The motion carried.

**Special Orders continued**

Cooperation/collaboration in the Colleges of Business and Engineering

Dr. Marlene Strathe and Dr. Craig Schnell appeared in front of the Board to update them on the cooperation/collaboration in the Colleges of Business and Engineering at **UND** and **NDSU**. Representing the Colleges of Business were Dennis Elbert, UND and Jay Leitch, NDSU. UND and NDSU meet regularly, have faculty meetings, and hope to have more faculty exchanges regarding issues such as serving students, outcome assessment, research, and service activities. They are working with the NDUS on common course numbering. The NDSU College of Business is in the fifth year of a five-year accreditation process and hopes to be accredited in 18

months. UND offers entrepreneurship and has the Center for Innovation and NDSU offers forensic accounting. In these specialty areas, there is not enough of a demand for both colleges to offer them. There is a surplus of jobs now and graduates are sought after.

President Ebeltoft urged the colleges to be more innovative. He feels the Board needs something to show the legislature that both campuses are on the same team, are sharing resources, and are maximizing program efforts. He believes there is a need to show the legislature why both UND and NDSU should have a college of business. President Ebeltoft is concerned if the original focus of intention is clear. If there is some confusion relative to what the Board expects, the campus presidents should come to the Board and ask for further clarification.

Don Richard, UND, and Otto Helweg, NDSU, represented the Colleges of Engineering. UND College of Engineering will receive accreditation this fall. The quality of their programs is high and in demand. Their students are also sought after. They are looking into offering a joint Master of Engineering Program or joint Ph.D. program that they could offer by some form of video or CD. The deans and faculty of both colleges have met on many occasions to discuss numerous issues including curriculum, common courses, unique courses, opportunities for using IVN and Pic-Tel, research interests and activities, shared research and teaching equipment, and cooperative research.

Mrs. Satrom felt they have been doing a good job but need to market their programs and educate people on what they are doing. They could possibly call the media and have them do a feature on the collaboration.

The SBHE adjourned at 8:50 a.m. for the joint meeting of the State Boards for Higher Education, Vocational and Technical Education, and Public School Education.

The SBHE reconvened at 11:15.

#### Cooperation/collaboration in the Colleges of Business and Engineering cont.

Dr. Schnell reappeared in front of the Board. He indicated that the faculties of both campuses meet and there are research interactions that will continue and new ones will develop. Dr. Schnell expressed some of their frustrations which include sharing courses. The IVN system is heavily subscribed to and they have trouble delivering business classes on IVN during the day. Some of the classes scheduled over IVN in the past have been cancelled due to lack of interest on the students' part; some students do not prefer IVN because they do not have the same student/instructor interaction. Class size is limited to 25 students which causes a problem. Graduate students are not used a lot in their courses. They have checked into using PictureTel and the Web. Another problem is overload teaching and turnover.

Dr. Schnell indicated that enrollments are up and they have excellent students and faculty. The students rank high on their exams and are highly sought after. There are some of the same classes on each campus, but each campus has their own specialties.

## **900 Facilities – Ms. Glatt**

### Animal Research Facility

Dr. Baker updated the Board on the Animal Research Facility. On Friday, June 5, 1998 the UND Foundation Board of Directors passed a motion which provides a guarantee of up to \$1.2 million of private monies towards the construction of the Biomedical Research Facility at the UND School of Medicine. Sources of funding to complete the financing are being pursued, but if the funding is short of the total required for construction, the Foundation will guarantee the balance up to a maximum of \$1.2 million.

## **Board Members/Campus Reports**

Mr. Hoeven asked the Board Members to send their past campus visits to his office and also any requests they may have to visit a certain campus. Assignments will be made at the July retreat.

Mrs. Clayburgh attended the Legislative Audit and Fiscal Review Committee meeting in Bismarck. She was also a guest in a class at UND on the value of higher education. Mrs. Clayburgh, Dr. Baker, and some of Dr. Baker's staff attended a special city council meeting to present a case for funding for the University Village. She is attending task force study committee meetings for the reaccreditation of the Medical School.

Mrs. Kaldor thanked everyone for the send-off and Paul for his kind words. She said it has been an honor to serve with everyone.

Mr. Waslaski thanked everyone for the nice reception and President Ebeltoft and Chancellor Isaak for their kind words. He will remember this last year and the experiences will be hard to top. Mr. Waslaski said it has been a wonderful experience and hopes to see everyone again.

Ms. Fulp thanked everyone for the banquet. She hopes to continue the kind of relationships she has had in the years to come.

## **Public Comment**

The meeting adjourned at 12:05 p.m. The State Board of Higher Education will hold their annual retreat July 9, 1998 at Camp Grafton.