

STATE BOARD OF HIGHER EDUCATION  
Minutes—June 17, 1999  
Dickinson, ND

Members of the State Board of Higher Education met for orientation in the Klinefelter Hall Art Gallery on the campus of Dickinson State University June 17, 1999, at 8:30 a.m. and toured May Hall Mac Lab, Murphy Hall, Whitney Stadium, and walked past the Student Center Renovation Project. Members present included Mr. Peltier, Mrs. Clayburgh, Mr. Ebeltoft, Mr. Caspers, Mr. Sickler, Mr. Hoeven, Dr. Andreasen, and Mr. Isaacson.

-----

The State Board of Higher Education met June 17, 1999, at the North Campus of Dickinson State University. The president called the meeting to order at 1:00 p.m. MT. Members present were:

Jack Hoeven, President	Craig Caspers
Joe Peltier	Bill Isaacson
Beverly Clayburgh	Jonathan Sickler, Student Member
Paul Ebeltoft	Dr. Bethany Andreasen, Faculty Representative

Jeanette Satrom, Vice President, was absent

Presidents and Executive Deans present were:

Dr. Donna Thigpen, BSC	Dr. Joe Chapman, NDSU
Dr. Jerry Olson, NDSCS	Dr. Ellen Chaffee, MaSU/VCSU
Mr. Garvin Stevens, UND-W	Dr. Lee Vickers, DSU
Dr. Erik Shaar, MiSU/MiSU-BC	

Dr. John Ettlting, UND, attended in place of Dr. Ken Baker  
Mr. Doug Darling, UND-LR, attended in place of Dr. Sharon Etemad

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  
Sheila Tibke, Administrative Secretary

Senator Rich Wardner and Representatives Janet Wentz and Nancy Johnson attended portions of the meeting.

## Minutes

**It was moved** by Mr. Ebeltoft, seconded by Mrs. Clayburgh, and unanimously carried to approve the minutes of the April 29-30, 1999, and May 12, 1999, meetings as distributed.

### **Board President's Report**

President Hoeven welcomed Drs. Lee Vickers and Joe Chapman, new presidents at DSU and NDSU respectively.

### **Chancellor's Report**

Chancellor Isaak indicated that the Legislative Council Higher Education Committee will be meeting June 30, 1999, in Bismarck at the State Capitol at 9 a.m. He encouraged the Board members to attend. He said the major topic of discussion for the Board Retreat in July is the University System of the 21<sup>st</sup> Century. This topic will also be discussed at the Higher Education Committee meeting. He said the Cabinet has discussed this topic in preparation for the upcoming Board Retreat and they encourage the Board and the Higher Education Committee to approach the interim study "from a view of building vitality for the future" rather than examining the past. Chancellor Isaak will be preparing a paper to present to the interim Higher Education Committee and Board. He also said it was important throughout this study to have participation from the many diverse constituencies that the NDUS serves and works with. Chancellor Isaak asked that the Board forward to him their priority issues for the Board Retreat. He indicated that William Spady will likely be the facilitator and distributed *Total Leaders Applying the Best Future-Focused Change Strategies to Education* that Mr. Spady co-authored with Charles Schwahn. He encouraged Board members to read this book before the retreat.

Commissioner appointments have been made by the legislature and Governor to the Midwestern Higher Education Commission. They are Representative Janet Wentz; Senator Tony Grindberg; Bill Goetz, Governor's office; Larry Isaak; and Dr. Charles Kupchella.

Chancellor Isaak asked that any comments and/or suggestions regarding new Board member orientation be forwarded to him. Mr. Korsmo's orientation is scheduled for June 28, 1999, at 8:30 a.m. He invited other Board members to attend.

May 20, 1999, was the final Workforce Training Task Force meeting. Mr. Steve Ovel and Roger Rieron praised the Board of Higher Education for their leadership in implementing policy and recommendations relating to the Workforce Training initiative.

Chancellor Isaak thanked the Board for all their hard work during the very busy past year with special thanks to President Hoeven. He also thanked the presidents for their efforts in the preceding year and the System office staff for the tremendous job they do on a day-to-day basis.

Dr. Olson announced that he would be retiring effective June 30, 2000. He also urged the Board to view a video by Joel Barker entitled, *Leadershift*. He recommended this video as the Board begins planning the University System of the 21<sup>st</sup> Century.

Chancellor Isaak informed the Board that Dr. Olson is the NDUS's senior president and has provided important, significant, and positive leadership to NDSCS.

### **Student Association Report**

There was no Student Association Report.

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

Dr. Andreasen reported the CCF held their final meeting of the year on May 5. She indicated the State of the Faculty Conference will be held in Fargo September 17-18, 1999. This conference follows the September Board meeting which will be held in Grand Forks in the hopes that Board members will be able to attend. CCF elected officers for the upcoming year. They are:

Barb Laman, DSU	President
Lyle Prunty, NDSU	Vice President
Jan Moen, UND	Secretary
Henry Riegler, BSC	Treasurer/Parliamentarian
Bethany Andreasen, MiSU	Faculty Representative to the SBHE

### **Special Orders**

#### Midwestern Higher Education Commission

Mr. David Murphy, President, and Mr. Bob Johnson of the Midwestern Higher Education Commission (MHEC) were present and gave a brief history of the organization and informed the Board of the programs and initiatives MHEC offers and is involved in. MHEC was founded in 1991 and currently has ten member states including 853 colleges and universities. Mr. Murphy said the Compact is governed by 50 commissioners (elected by the states) and that Governor Schafer and the legislature have appointed the commissioners from ND. The purpose of the Compact is "To advance midwestern higher education through interstate cooperation and resource sharing." The Commission goals are to promote:

- Productivity & administrative cost savings
- Student access and affordability
- Policy analysis & information exchange
- Regional academic cooperation
- Quality education services
- Educational innovation

Mr. Murphy thanked the Board for joining the Compact and said he looks forward to working with the higher education leadership in North Dakota to build new programs to benefit higher education and our state.

### **Consent Agenda**

**It was moved** by Mr. Peltier, seconded by Mrs. Clayburgh to approve the following consent agenda items 1 through 15. Mr. Peltier, Mr. Sickler, Mr. Ebeltoft, Mr. Caspers, Mr. Isaacson, Mrs. Clayburgh, and Mr. Hoeven voted aye. The motion carried.

1. Accept grants and contracts for **Minot State University** and **North Dakota State University**.
2. Permit **Bismarck State College** to spend excess income as a result of increased enrollment. The line item breakdown is \$40,000 for salaries and wages and \$20,000 for operating expenses.
3. Permit **Bismarck State College** to waive Policy 703.1 Early Retirement for Allen Dockter to teach two sections of Introduction to Computers 101 fall 1999.
4. Approve **Dickinson State University's** bond resolutions pertaining to the proposed issuance and sale of revenue bonds totaling \$1,000,000 in support of the Student Union Renovation and Expansion Project.
5. Permit **Mayville State University** to proceed with a boiler repair, fuel storage and steam line replacement project. Estimated project cost \$760,000. Source of funding 1999-2001 capital improvements line item. Power House and steam line repair projects are included in the master plan.
6. Approve **Mayville State University's** request to enter into a lease agreement with IBM Credit Corporation to finance IBM ThinkPad computers. 725 computers will be financed over 36 months at a total cost of \$1,647,000. Student technology fee will provide the resource for approximately 679 student computers, and operating appropriations will fund the 46 computers used by faculty.
7. Permit **Valley City State University** to proceed with the sprinkler and exit upgrades for McFarland Hall, Vangstad Auditorium and McCarthy Hall project. Project is included in the campus master plan and on the Board's capital project priority list. Source of funding is a 1999-2001 general fund appropriation designated for sprinkler and exit upgrades.
8. Approve **North Dakota State College of Science's** request to update the exhaust system in Welding Labs Trade Tech Building. Estimated cost is \$100,000. Source of funding 1999-2001 capital improvement funds.

9. Approve **North Dakota State College of Science's** request to repair and replace the existing brick and mortar (tuck pointing) on Horton Hall at a cost of \$150,000. Source of funding 1999-2001 capital improvement funds.
10. Permit **North Dakota State University** to issue and sell self-liquidating, tax-exempt bonds in an amount not to exceed \$4,500,000 for the purpose of financing the construction of the Student Health and Wellness Center. Further granted permission to appoint the firm of Arntson and Stewart as the bond counsel and NoDak bonds as the financial advisor. Permission also granted that the Chancellor be authorized to approve the issuance of the bonds at a proposed maximum average annual interest rate of 6%. The approximate final date upon which principal amounts of the obligation will mature or become payable is April 1, 2029. This Center is part of the campus master plan and was included in the 1997-1999 and 1999-2001 capital budget requests. It was approved by the 1999 legislature at an authorized budget level of \$4,500,000. Source of funding for repayment of the bonds will be the student health and wellness fee.
11. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding the contract for the Water Main Improvement project at **North Dakota State University** to CAMAS Minn-Dak, Inc. with a low bid of \$332,965.20. Source of revenue is the 1999-2001 capital improvement budget.
12. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding the contract for the Parking Lot Improvement project at **North Dakota State University** to CAMAS Minn-Dak, Inc. with a low bid of \$535,118.30. Parking lot replacement and repairs include CF lot (Ehly Hall); BSA south side lot; and general repairs, maintenance, curb & gutter. Source of revenue for parking lots will be from parking permits, fines, and metered lots. Source of funding for general repairs and maintenance (\$91,000) will be from the 1998-1999 operating expense budget as provided for by formula.
13. Approve **UND-Lake Region's** request to spend \$42,697 in unanticipated Tuition Revenue up to 3% beyond the appropriated tuition revenue for biennium. The revenue would be used to purchase equipment.
14. Approve the 1999-2000 Broadband salary ranges for the **North Dakota University System**.
15. Allocate \$75,000 from the 1999-2001 Board Initiative Pool for MHEC membership dues.

### **300 Governance and Organization**

#### Workforce Training Boards Policy

Mr. Seaworth presented policy revisions necessary to implement the new workforce training legislation. The amendments include changes to the names of **UND-LR** and **UND-W** to Lake Region State College and Williston State College along with a new policy, 350.2, which includes provisions establishing the workforce training boards. These boards will be advisory boards and

are subject to SBHE policy. Since the new legislation is effective July 1, 1999, Mr. Seaworth requested that the Board waive second reading. Board members urged the Presidents to alert them to situations where these advisory boards begin to move from an advisory capacity to governance.

Dr. Shaar, responding to a question from Mr. Ebeltoft about the remaining branch campus **MiSU-BC**, stated that the agreement was to let the Bottineau Campus remain on their stand-alone charter basis through the North Central accrediting process. They have now received a recommendation from the visiting team that the campus be approved for the full ten years. Dr. Shaar's goals that he submitted to the Chancellor include examining models to determine what would be best for the relationship between MiSU and MiSU-BC. These will be presented to the Chancellor within the next year.

Following discussion, **it was moved** by Mr. Peltier, seconded by Mr. Ebeltoft to approve introduction of amendments to **Policies 301.1** and **307.3** and new **Policy 350.2**, waive the requirement of a second reading, and immediately adopt amended Policies 301.1 and 307.3 and new policy 350.2 on second reading and final passage, effective July 1, 1999. Mr. Peltier, Mrs. Clayburgh, Mr. Sickler, Mr. Ebeltoft, Mr. Caspers, Mr. Isaacson, and Mr. Hoeven voted aye. The motion carried. Exhibit A.

Mr. Ebeltoft then made the following statement with the unanimous consensus of the Board: It is the sense of the SBHE that the presidents of **BSC**, **LRSC**, **NDSCS**, and **WSC** should periodically report to the SBHE, through the Chancellor, on the efficiency of the workforce training boards implemented by Board Policy 350.2. It is further the sense of the SBHE that the presidents are also encouraged by the SBHE to recommend to the Board, through the Chancellor, changes in policy which may be necessary to achieve the intent of HB1443 and the policy as expressed in 350.2."

## **400 Academic Affairs**

### Program Approval Policy 403.1

Mr. Seaworth presented amendments to Policy 403.1 Program Approval. The amendments state that Board approval is required for all appropriation requests in support of new programs and the procedural detail is removed and replaced by a statement that the Chancellor shall establish procedures for new program review and evaluation. Mr. Seaworth informed the Board that additional changes have been made and that the new sentence in the first paragraph should read, "Board approval is required for all requests for appropriations in support of new programs." Chancellor Isaak indicated that it was the unanimous agreement of the Cabinet that this policy be adopted to provide clarification.

**It was moved** by Mr. Ebeltoft, seconded by Mr. Isaacson to approve the amendments to **Policy 403.1** Program Approval on introduction and first reading. Mr. Peltier, Mrs. Clayburgh, Mr. Sickler, Mr. Ebeltoft, Mr. Caspers, Mr. Isaacson, and Mr. Hoeven voted aye. The motion carried. Exhibit B

## 2000 Index

### Architect's Manual

Mr. Seaworth reviewed additional recommended amendments to the Architect's Manual which include provisions for contracts with construction managers and recommendations from the State Facilities Planner. **It was moved** by Mr. Peltier, seconded by Mr. Caspers to approve the proposed additional amendments to the SBHE **Architect/Engineer Manual**, and adopt the SBHE Architect/Engineer Manual on second reading and final passage, as amended. Mr. Peltier, Mrs. Clayburgh, Mr. Sickler, Mr. Ebeltoft, Mr. Caspers, Mr. Isaacson, and Mr. Hoeven voted aye. The motion carried. Exhibit C

### 400 Academic Affairs (cont)

#### Academic Requests

Dr. Hillman presented a request from BSC to offer an associate in applied science degree in surgical technology. He indicated that there is a statewide need for 25-30 surgical technicians annually and that there is no program of this kind in the state of North Dakota. This program is also supported by the Cabinet. **It was moved** by Mrs. Clayburgh, seconded by Mr. Ebeltoft to approve **Bismarck State College's** request to offer an Associate of Applied Science degree in Surgical Technology. Mr. Peltier, Mrs. Clayburgh, Mr. Sickler, Mr. Ebeltoft, Mr. Caspers, Mr. Isaacson, and Mr. Hoeven voted aye. The motion carried.

Dr. Hillman presented a request from MiSU-BC to offer the following new programs that have been recommended by the Academic Affairs Council, CTEC, and the Chancellor's Cabinet. He indicated that there is adequate student interest and employer demand to warrant program duplication.

Information Technology – Network Engineering (A.A.S.)

Information Technology – WebMaster (A.A.S.)

Information Technology – WebDesign (Certificate)

Ms. Glatt informed the Board that the first year's start up costs are estimated to be \$156,011. An estimated annual cost to continue the programs is \$72,124. The total request for the 1999-2001 biennium is \$228,135. Included in this amount was \$35,000 for air conditioning the computer lab. This capital improvement request should be considered under separate priority setting and budgeting processes and therefore have been removed from the funding recommendation. Tuition income of \$78,000 is anticipated. The remaining unfunded balance is \$115,135. A distribution from the equity and special needs pool of \$115,135 is recommended.

Ms. Glatt reminded the Board that the motion on the allocation of the equity and special needs pool that was passed in Carrington on May 12, 1999, stated that any money remaining from the \$200,000 set aside for the MiSU-BC program would be allocated to the eleven institutions based upon the methodology originally used in allocating the \$4 million. Ms. Glatt distributed a schedule listing the distribution of the remaining \$84,865 in the Board's equity and special needs pool if the MiSU-BC program is approved. The amounts by campus are as follows:

BSC	\$ 6,794
UND-LR	2,114
UND-W	5,154
UND	17,951
NDSU	24,859
NDSCS	10,589
DSU	8,022
MaSU	1,049
MiSU	3,735
VCSU	4,151
MiSU-BC	447
	<u>\$ 84,865</u>

Following discussion, **it was moved** by Mr. Peltier, seconded by Mr. Ebeltoft to approve the Network Engineering, A.A.S.; WebMaster, A.A.S.; and WebDesign, Certificate Programs and allocate \$115,135 from the Board equity and special needs pool on a one time basis to **MiSU-Bottineau Campus** to implement the three programs. Mr. Peltier, Mrs. Clayburgh, Mr. Ebeltoft, Mr. Caspers, Mr. Isaacson, and Mr. Hoeven voted aye. Mr. Sickler voted no. The motion carried.

## 600 Personnel

### Presidents' Compensation

Chancellor Isaak presented the recommended compensation for the presidents for 1999-2000. His recommendation includes new three-year contracts for Dr. Chaffee, Dr. Etemad, and Dr. Shaar. **It was moved** by Mr. Peltier, seconded by Mrs. Clayburgh to approve the recommended president's compensation for 1999-2000 as follows:

	Proposed Salary	Proposed Housing Allowance
<b>Chaffee, Ellen</b> ( <i>recommending a new three-year contract effective 7/1/99-6/30/2002</i> )	\$108,000	\$19,100
<b>*Chapman, Joe</b> ( <i>contract runs through 6/30/2002</i> )	\$140,000	House provided
<b>Etemad, Sharon</b> ( <i>recommending a new three-year contract effective 7/1/99-6/30/2002</i> )	\$75,000	\$11,000
<b>*Kupchella, Charles</b> ( <i>contract runs through 6/30/2002</i> )	\$140,000	House provided
<b>Olson, Jerry</b> ( <i>contract runs through 6/30/2000</i> )	\$97,000	\$15,000
<b>Shaar, Erik</b> ( <i>recommending a new three-year contract effective 7/1/99-6/30/2002</i> )	\$110,500	\$15,000

<b>Stevens, Garvin</b> ( <i>retiring 6/30/2000</i> )	\$75,000	\$11,000
<b>Thigpen, Donna</b> ( <i>contract runs through 6/30/2002</i> )	\$104,080	\$15,000
<b>*Vickers, Lee</b> ( <i>contract runs through 6/30/2002</i> )	\$110,000	House provided
*Compensation approved by SBHE at time of hiring		
Note: All presidents also receive a vehicle allowance pursuant to Board Policy 705.1		

Mr. Peltier, Mrs. Clayburgh, Mr. Sickler, Mr. Ebeltoft, Mr. Caspers, Mr. Isaacson, and Mr. Hoeven voted aye. The motion carried.

### **Special Orders cont.**

#### Virtual University

Dr. Hillman and Mr. Robert Larson, MiSU, updated the Board on the virtual university. Dr. Hillman indicated that UND Aerospace has been hired to develop the clearinghouse (the web site that will be the inventory of all distance education courses available from NDUS and possibly tribal and private colleges). This web site will require updates from the individual campuses and the NDUS office on courses and programs available.

The Train the Trainer faculty development workshop was a system-funded faculty development initiative. Dr. Hillman reported that while planning for this workshop, the need for a broader discussion was seen so the Technology Access Summit was held. One hundred people were invited to attend the Summit on April 13-14, 1999, to shape the future of technology access to the NDUS. Mr. Larson informed the Board that the Train the Trainer Workshop was hosted by MiSU May 13-28, 1999. Two faculty members from each campus met in a virtual classroom. This put the faculty in a virtual university working environment. On the last day, the faculty met face to face and discussed many issues including how to take a lecture course and present it over the internet. Mr. Larson indicated that the faculty members shared ideas and concerns and it gave them the opportunity to rethink how they do things. He said the workshop was a success and thanked the Board for making this workshop possible.

Dr. Hillman informed the Board that the NDUS application for the Financial Aid Demonstration Program is one of the finalists. This program is sponsored by the Department of Education and would improve student access to distance education by allowing students pursuing a degree at a distance to participate in federal financial aid programs.

Dr. Hillman also updated the Board on the Western Governor's University (WGU). They are working to attract business and industry involvement and moving towards assessment of student learning and outcome. He reported that student enrollment has not been overwhelming and WGU has requested \$8 million of support from Congress to maintain activities until student enrollment increases. For more information on WGU, you can access their web site at <http://www.wgu.edu/wgu/index.html>.

NDSU has submitted a proposal to and is a finalist for a FIPSE program called LATAP (Learning Any Time Any Place). NDSU has been involved in discussions at the System level for partnering together. Chancellor Isaak has sent a letter of support for this proposal.

### **Board Members Reports**

Mr. Peltier attended a grand opening for the new facility at Turtle Mountain Community College and a WICHE conference.

Mrs. Clayburgh attended a community reception to welcome Dr. and Mrs. Chapman and a community open house for Dr. Kupchella.

### **Campus Reports**

Mr. Stevens distributed coffee mugs and pens with the Williston State College name and made the following statement: "I would like to take this opportunity to publicly thank the University of North Dakota for its support over the last forty-three (43) years. I would like to give special thanks to the three presidents under whom I have had the pleasure of serving. They are Dr. George Starcher, Dr. Thomas Clifford, and Dr. Kendall Baker. I would also like to thank the outstanding cadre of staff that supports the mission of the University. The University of North Dakota-Williston will forever be in its debt. Thank you." Exhibit D

Mr. Stevens also indicated that the sports team name (Teton) will not change July 1. The alumni are being surveyed for their thoughts on changing the name, and Mr. Stevens will make a decision on the team name in January or February 2000.

-----

Chancellor Isaak acknowledged and thanked Dr. John Ettling, UND, for participating and representing UND in the past few months at the Cabinet and Board meetings.

-----

### **Public Comment**

Mr. Dan Wakefield, representing five UND alumni, appeared before the Board and expressed concern for the Bronson/North Campus property on the campus of UND. Their concern is that if the remaining land on the UND campus is developed for housing, there will not be a sizable piece of land for future growth of the campus or for students and the community for intramural and recreational activity. They "request the State Board of Higher Education to adopt a moratorium on developing the remaining green space of the North Campus beyond what the University now proposes to complete the University Village." Exhibit E

-----

President Hoeven thanked the members of the Board and Cabinet, Chancellor Isaak, and the NDUS staff for all the help they provided in the past year.

-----

The meeting adjourned at 4:50 p.m. MT. The Board of Higher Education will hold their annual retreat July 15-16, 1999, in Valley City.