

STATE BOARD OF HIGHER EDUCATION
Minutes—September 16-17, 1999
Grand Forks, ND

Members of the State Board of Higher Education met for orientation in Room 1350 of the Reed Keller Auditorium on the campus of the University of North Dakota September 16, 1999, at 8:00 a.m. and toured the Medical School, School of Engineering & Mines, and EERC. Members present included Mr. Peltier, Mrs. Clayburgh, Mrs. Satrom, Mr. Isaacson, Mr. Caspers, Mr. Korsmo, Dr. Andreasen, and Mr. Bernstein.

The State Board of Higher Education met September 16-17, 1999, in Room 211 of the Rural Technology Center on the campus of the University of North Dakota. The president called the meeting to order at 1:15 p.m. CT. Members present were:

Jeanette Satrom, President	Craig Caspers
Bill Isaacson, Vice President	John Korsmo
Joe Peltier	Ryan Bernstein, Student Member
Beverly Clayburgh	Dr. Bethany Andreasen, Faculty Representative

Presidents and Executive Deans present were:

Dr. Donna Thigpen, BSC	Dr. Joe Chapman, NDSU
Dr. Charles Kupchella, UND	Dr. Ellen Chaffee, MaSU/VCSU
Mr. Garvin Stevens, WSC	Dr. Lee Vickers, DSU
Dr. Erik Shaar, MiSU/MiSU-BC	Dr. Sharon Etemad, LRSC

Mr. Bob Gette, NDSCS, attended in place of Dr. Jerry Olson

Staff members present were:

Larry A. Isaak, Chancellor
Michel Hillman, Vice Chancellor for Academic Affairs
Laura Glatt, Vice Chancellor for Administrative Affairs
Eddie Dunn, Vice Chancellor for Strategic Planning/Exec Dir CTEC
H.P. Seaworth, General Counsel & Executive Secretary
Mike Sandal, Director of Human Resources
Peggy Wipf, Director of Financial Aid
Grant Crawford, Chief Information Officer
Sheila Tibke, Administrative Secretary

Ms. Marijo Shide, former member of the Board of Higher Education, attended portions of the meeting.

Minutes

It was moved by Mrs. Clayburgh, seconded by Mr. Korsmo to approve the minutes of the June 17, 1999, and July 15-16, 1999, meetings as distributed. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

Board President's Report

President Satrom thanked Dr. Kupchella for the tours during the Board orientation. She said these tours of the campuses are an excellent opportunity for Board members to see the learning taking place on the campuses.

The search committees for the next presidents of NDSCS and WSC have been formed. The first meeting of the NDSCS search committee will be October 5, 1999. She is anticipating that the names of candidates for both searches will be forwarded to the Board by March or April 2000.

President Satrom attended Dr. Chapman's State of the University Address and reception. She also reported that she is enrolled in a class at VCSU and would like to take a class at the Skills Training Center.

President Satrom recognized Mr. Peltier for the award he received from the Higher Education Resource Organization (HEROS) for his contributions to diversity.

Chancellor's Report

Chancellor Isaak indicated that the Interim Higher Ed Study Roundtable committee of 61 members has been appointed. The first meeting will be September 28-29, 1999, in Jamestown. The charge of the committee is to "define the expectations of the University System in the 21st Century, the funding methodology and accountability measures."

All appointments to the Midwest Higher Education Compact committees have been made.

The Emergency Commission approved UND's continuation of a \$12 million line of credit from the Bank of ND for flood related expenses.

The four two-year campus Workforce Training Boards are being organized. He said the support from business and industry has been very good. Their business plans will be presented to the Board at the November meeting.

Chancellor Isaak attended a roundtable on technology that was held in Fargo and sponsored by Senator Conrad.

Chancellor Isaak, Dr. Hillman, and Ms. Wipf will be in Washington, D.C. next week for an annual meeting with Representative Pomeroy and Senators Conrad and Dorgan, and also representatives from the Department of Agriculture.

Chancellor Isaak distributed the most recent copy of “A Student’s Guide to Transfer within the NDUS” (Gold and Silver Guide). Ms. Kay Fulp, Coordinator of Articulation and Transfer, updates this publication annually.

Academic requests that the Chancellor approved in the last few months include:

- LRSC—legal assistant program, Associate of Arts delivered to Bismarck and Minot
- LRSC—Early Childhood Education Associate program delivered to Bismarck and Williston
- NDSCS—title change from Industrial Maintenance to Automated Manufacturing Technician
- VCSU—concentration in computer information systems
- MiSU-BC—information processing administrative assistant program delivered to Minot
- NDSCS—practical nursing delivered to Rugby and Ashley
- NDSU—counselor education program delivered to Minot, Bismarck, and Williston
- NDSU—change name from Corporate and Community Fitness to Human Performance and Fitness

The Chancellor’s Cabinet and CTEC will form a special task force for nursing education. The practical nursing program being delivered to Rugby and Ashley indicate the need for statewide access. The medical centers in these two communities provide funding for this program to be delivered because of the need that exists. The task force will involve people from the medical field, community, and NDUS campuses.

Student Association Report

President Satrom welcomed Mr. Ryan Bernstein, new student member to the Board. Mr. Bernstein reported that the NDSA will be meeting in Grand Forks October 1-2, 1999, and invited the members of the Board of Higher Education to attend that meeting.

Council of College Faculties Report

Dr. Andreasen reported that the CCF held their first meeting of the year via IVN on August 24, 1999. This meeting was mainly organizational; however, their major topic was planning and organizing the State of the Faculty Conference that will be held in Fargo September 17-18, 1999. She thanked President Satrom, Vice President Isaacson, and Chancellor Isaak for participating in the formal conference program.

The CCF has not had time to review all the proposed revisions to the 300, 600, 800, and 900 sections of the Policy Manual. Policies of special interest to them include 304.1 that gives the Chancellor the authority to appoint and remove presidents, 605.1 that changes the awarding of tenure to the individual institutions, and 605.2 that abolishes the special review committee. Dr. Andreasen understands it is hard for the Board to make a decision on tenure when all they

receive is a one-page summary for each tenure candidate. However, she said the benefit to the Board in making this decision is that the Board has an investment in tenure. The CCF will meet September 18, 1999, at the conclusion of the conference to discuss some of these policy revisions.

Special Orders

Policy Governance

President Satrom indicated that the Policy Governance Committee met September 15, 1999. Members of that committee are Drs. Chaffee, Andreasen, George Wallman, and John Ettling, Mr. Larry Eide, Mr. Isaacson, and President Satrom. The committee reviewed the motion regarding the policy governance committee from the April 1999 Board meeting and the background material that has been previously distributed. There was discussion if the Board should go forward with implementing policy governance since there are new members on the Board. Following discussion, it was the general consensus of the Board to continue to move forward with plans to implement policy governance, but to have more education on policy governance at Board meetings along with information to be distributed between meetings.

Fall Enrollments

Campus presidents reported their preliminary fall third week enrollment.

	1999 fall headcount	1998 fall headcount	5 year average of fall headcount	1999 FTE	1998 FTE	5 year average of FTE	1999 beginning freshman headcount	1998 beginning freshman headcount	5 year average of beginning freshman headcount
BSC	2,780	2,594	2,515	2,206	2,082	2,003	979	928	919
DSU	1,870	1,800	1,737	1,537	1,484	1,464	399	377	385
LRSC	805	826	739	474	492	460	400	403	296
MaSU	840	740	751	647	643	690	157	177	165
MiSU	3,155	3,155	NR	NR	NR	NR	525	418	NR
MiSU-BC	508	447	NR	467	410	NR	NR	NR	NR
NDSCS	2,345	2,469	2,521	2,139	2,397	2,317	1,475	1,614	1,647
NDSU	9,638	9,536	9,577	8,253	8,142	8,140	1,709	1,633	1,599
UND	10,590	10,369	10,816	8,911	8,684	8,986	1,754	1,501	1,617
VCSU	1,077	1,081	1,072	896	905	900	173	206	187
WSC	730	674	792	632	608	672	242	243	260

NR=not reported

Review of Policy 310.1—Board President and Member Responsibilities

President Satrom said Policy 310.1 should be reviewed on an annual basis when new Board members begin their term. Mr. Seaworth reviewed the conflict of interest statute and the open meetings/records laws. He indicated that e-mail is an open record but does not qualify as a meeting. He cautioned Board members not to use e-mail to evade the open meetings law, to

solicit support on an item to come before the Board, or to determine how other members will vote on an item.

Six-year Plan Goal 2.2

Ms. Wipf reported on Goal 2.2 from the *Six-year Plan*. The purpose of this goal was to determine if increases or decreases in federal student loans and/or grant and work-study programs would have an impact on the NDUS enrollment. The report shows that student loan borrowing for students attending NDUS institutions has increased significantly while federal grant and campus-based financial aid has decreased. Ms. Wipf indicated that this is a national trend that can be directly linked to changes made in the Higher Education Act of 1992. The decline in enrollment in NDUS institutions may be attributed to the declining number of high school graduates in ND and a strong ND employment market. Ms. Wipf presented the following recommendations for the 2001-2003 biennial budget process for Board consideration:

1. That the State Grant and ND Scholars Programs be funded as a percent of tuition revenue projected for a given biennium.
2. That future reliance on soft dollars to fund the State Grant and ND Scholars Programs be avoided.
3. That increased funding for the State Grant and ND Scholars Programs receive a higher funding priority in the biennial budget process.
4. That a dedicated source of State funding for the State Grant and ND Scholars Program be determined.

UND Bronson Property

Dr. Kupchella, Ms. Peggy Lucke, and Mr. Rick Tonder provided background and current information to the Board on the development of the Bronson Property. The 1999 legislature approved the Barnes and Nobel Bookstore, the Engelstad Arena, and the Family Practice Center lease purchase agreement. Mr. Tonder indicated that UND has acquired a Community Development Block Grant (CDBG) for \$1.6 million from the city of Grand Forks. This will cover the sanitary system improvements, water mains, storm sewers, paving for 10th Avenue and Cambridge Street, streetlights on 10th Avenue and Cambridge Street, and engineering design/bidding/staking/inspection. All of the work must be contracted and encumbered by February 2000. Completion date for the bookstore is June 30, 2000.

There has been no settlement with Altru on the Rehab Hospital yet due to an asbestos issue. Ms. Lucke indicated she expects the clinic to be located on the Bronson property but the location is still being discussed.

The Bronson Property development includes a proposal for an athletic area, which could include a rugby field, soccer field, basketball courts, handball courts, tennis courts, and sand volleyball courts. UND has been discussing with the Park Board the possibility of them building some of these fields/courts that would benefit the community. Nothing has been finalized at this time. The cost of relocating the tennis courts has been included in the bookstore budget, since the bookstore location will require relocation of the current tennis courts.

Mr. Jim Kobetsky, designer of the Engelstad Arena from Schoen Associates, updated the Board on the development of the sports arena. The area where the arena will be built will be raised four

feet to get the arena out of a flood situation. The arena will have 11,200 seats plus 40 suites with 12-14 seats each that will be available for lease. The facility will have an additional international size sheet of ice as a contract alternate, locker rooms, and training rooms. The projected cost of the building with alternates is \$50 million to \$58 million.

A copy of the Status Report is on file in the System office.

It was moved by Mr. Peltier, seconded by Mrs. Clayburgh to authorize the **University of North Dakota** to proceed with the installation of a communications cable plant infrastructure to the Bronson Property. Further authorize UND to advertise for architectural/engineering services for the project and that the Chancellor be authorized to award a contract based on the recommendation of the Agency Selection Committee and also to accept bids and award installation contracts. Also authorize the preliminary Planned Unit Development (PUD), including stated requirements or restrictions, and authorize UND to proceed with the RFP and selection of a developer for the Bronson Property and authorize UND to negotiate a lease agreement with the developer, subject to Board approval, and to revise the PUD in response to the developer's suggestions or requests of the City of Grand Forks or other parties, provided the revisions are generally consistent with the preliminary PUD. In developing the Bronson Property, UND shall, to the extent such cooperation is consistent with state law and SBHE policy and the interests of UND, seek the advice of the City. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried. The estimated cost of the installation of the communications cable plant infrastructure is \$330,000, which include the A/E fees. Source of funds is the Telecommunications Department Infrastructure Reserve.

Policy Revisions

Human Resource Policy Manual, Long Term Disability, and Policy 340.2

Mr. Sandal presented changes to the Human Resource Policy 12.3 and 20.4 relating to overtime when campuses are closed due to inclement weather. This policy revision is the result of recommendations from the State Auditor's Office. The policy revision will provide consistency and clarity in that leave with pay resulting from campus closures due to storm would be included in the overtime calculation at two and a half times the normal pay rate.

Mr. Sandal informed the Board of an anticipated 15% increase in premiums for NDUS's long-term disability plan through TIAA-CREF effective October 1, 1999. To help reduce this and future premium increases, the following changes are recommended to the TIAA-CREF Long Term Disability Plan:

1. Required rehabilitation services for those individuals receiving disability payments.
Rehabilitation services would be managed and supported by TIAA-CREF at no cost to the University System. There would be no immediate cost savings to the plan. However, our experience ratios would likely decline reducing the potential for future premium increases. (no immediate cost savings, but long term cost savings substantial)
2. Eliminate coverage for employees who are disabled as a result of taking part in a felony, riot, or who are incarcerated. (1% savings)

3. Change the annual benefit increase from the current 3% to the lessor of the percentage change in the CPI or 3%. (1-2% savings)
4. Change the disability plan's current 12% retirement contribution to the actual amount determined by academic rank, profession, and years of service as currently prescribed within the TIAA-CREF retirement contract. (1% savings) NOTE: Based on years of service and type of employment, an employee with less than 10 years of service would have retirement contributions of 5% or 11%. If that same individual became eligible for disability payments, the retirement contribution amount would immediately be increased to 12%. This revision would limit the retirement contribution to an amount equal to what was allowed prior to an employee becoming eligible for disability payments.
5. Two year coverage for drug and alcohol abuse. (2% savings)
6. Change the increasing benefit option to start after three years instead of one year. (7% savings)

Mr. Sandal also presented proposed Policy 340.2—Foundations based on recommendations from the State Auditor's Office on university foundations. This policy will address the relationships of foundations to the campuses. The intent of the policy is to maintain a high degree of flexibility and autonomy in foundation operations, while addressing the recommendations of the state auditors. The policy also clearly defines foundations as independent, non-profit entities; and reaffirms that institutional support of foundations is appropriate.

It was moved by Mr. Peltier, seconded by Mr. Korsmo to approve on introduction and first reading Human Resource Policy 12.3—Overtime and 20.4—Storm Days and SBHE Policy 340.2—Foundations and adopt the changes to the TIAA-CREF Long Term Disability Plan effective October 1, 1999. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried. Exhibit A.

Policy 403.1

It was moved by Mrs. Clayburgh, seconded by Mr. Caspers to adopt on second reading and final passage SBHE Policy 403.1—Program Approval. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried. Exhibit B.

300, 600, 800, & 900 Policies

Mr. Seaworth informed the Board that the proposed revisions to the 300, 600, 800, and 900 sections of the SBHE Policy Manual are a continuing effort to update and streamline the Policy Manual and is an effort that began a couple of years ago. Following discussion from the Board on the number of policies presented for introduction and first reading, it was the consensus of the Board to review the policies that are general housekeeping changes and act on those and postpone formal action on the policies that have substantive changes until a later date. Mr. Seaworth reviewed the recommended amendments to numerous policies.

It was moved by Mr. Korsmo, seconded by Mr. Caspers to approve on introduction and first reading Policies 302.1, 302.6, 303.2, 304.2, 305.3, 306.1, 306.2, 306.3, 308.1, 330, 331, 340.1,

350.1, 611.1, and 805.1.4. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried. Exhibit C.

Since there was not ample time to review all the policy revisions in the 300, 600, 800, and 900 sections of the Board Policy Manual, it was the consensus of the Board to meet October 28, 1999, at 7 p.m. to continue discussion and review of these policies. A location was not determined.

Mr. Caspers moved and Mr. Peltier seconded the following resolution: “The SBHE expresses its appreciation to the Legislative Interim Committee on higher education for engaging in a discussion about the future expectations of the University System. The Board pledges its cooperation and support for this effort. As part of the ongoing discussion, the Board should continue to review the changing environment affecting the ability of the campuses to respond to ever changing demands for education and training, and will consider changes that will permit the flexibility for the campuses to respond to these demands and needs of the state.” Mr. Caspers stressed the importance of funding formulas and asked the Board to make it a high priority to continue to examine funding formulas and flexibility. Mr. Peltier, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mrs. Clayburgh, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

Consent Agenda

It was moved by Mrs. Clayburgh, seconded by Mr. Isaacson to approve the following consent agenda items 1 through 24. Mr. Peltier, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mrs. Clayburgh, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

1. Approve an exception to Policy 703.1—Early Retirement for Edroy Kringstad to teach non-credit dance classes at **Bismarck State College**.
2. Authorize **Bismarck State College** to proceed with Student Union improvements and select Ritterbush-Ellig-Hulsing P.C. as the architect.
3. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding the contract for the replacement of the fire alarm/emergency power feeder systems at **Dickinson State University** within May Hall and Stoxen Library to Berger Electric, Inc. in the amount of \$97,474; Prairie Engineering estimated cost is \$10,723; total estimated cost of the project \$108,197. Funding will be primarily from 1997-1999 carryover in capital improvements with a minimal amount being drawn from the 1999-2001 appropriations for capital improvements from the 1999-2000 annual budget.
4. Approve the selection of Johnson & Laffen Architects for the design of the Auditorium at **Lake Region State College**.
5. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding a contract to Henning, Metz, Hartford & Associates, Inc., for engineering services at **Mayville State**

University for the Boiler Repair Project. Included in the MaSU Master Plan. Funds from the 1999-2001 general fund appropriation Capital Improvements line item.

6. Accept grants at **Minot State University**.
7. Approve the hiring of Hunter Grobe (architects) for the roof repair and Lightowler Johnson (engineers) for the steam line projects at the **North Dakota State College of Science**. Source of funds is 1999-2001 capital improvement funds.
8. Grant approval to the **North Dakota State College of Science** to accept the low bid from Comstock Construction with Alternate #3, and two change orders included in the amount of \$103,200. The base bid (\$96,450) covers the parking lot next to the Allied Health Center. The one alternate and two change orders (\$6,750) are striping, signage, drain inlet and additional concrete around the new parking lot. Source of funds is parking revenue and auxiliary enterprise funds 1999-2001.
9. Approve **North Dakota State University's** request to levy programmatic fees in CPD & DPD. The purpose of these fees is to cover salaries for preceptors. A fee of \$250 per semester during the last two years of the academic program for Coordinated Undergraduate Program in Dietetics (CPD) starting fall semester 2000. A fee of \$12.50 per credit hour of field experience for Didactic Program in Dietetics (DPD) starting summer session 2000.
10. Approve an exception to Policy 703.1—Early Retirement for Dr. Hans Goettler to teach fall 1999 in the Department of Mechanical Engineering at **North Dakota State University**.
11. Accept grants and contracts at **North Dakota State University**.
12. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding contracts for reroofing projects at **North Dakota State University**:
 - ♦ Minard Hall, Pierce Roofing, \$36,200 and Robinson & Van Es Halls, MC Roofing & Sheet Metal, \$107,129. Architect fee is \$8,600. Total \$151,929. Source of funding is the 1999-2001 capital improvement budget.
 - ♦ Residence Dining Center, MJ Dalsin Roofing, \$55,949 and the Auxiliary Services Building, A & R Roofing, \$42,550. Architect fee is \$10,244. Total \$108,643. Source of funding is dining services repair reserves.
13. Ratify the action of the Chancellor in awarding contracts at **North Dakota State University** for the Skills and Technology Training Center Project. Estimated costs total \$1,425,000. Total estimated revenue \$1,425,000: State appropriations \$750,000, EDA Grant \$460,000, gift funds 215,000. Total alternates \$515,888:
 - ♦ South Entry Façade & Addition—Roers Construction, Inc., A.B.I.#1, \$234,000; Manning Mechanical, Inc. A.B.I.#M-1, \$4,016; Dakota Electric Const. Co., Inc., A.B.I.#E-1, \$10,500; Total \$248,516
 - ♦ Multi-Media, Conferencing, & Lobby—Area Interior Work: Roers Construction, Inc., A.B.I.#2, \$151,500; Manning Mechanical, Inc., A.B.I.#M-2, \$36,224; Dakota Electric Const. Co., Inc., A.B.I.#E-2, \$67,500; Total \$255,224

- ◆ Exterior Staining and Painting: Roers Construction, Inc., A.B.I.#4, \$9,500
 - ◆ Dry Sprinkler System Repair: Manning Mechanical, Inc., A.B.I.#M-4, \$2,648
14. Accept grants and contracts at the **University of North Dakota**.
 15. Approve an exception to Policy 703.1—Early Retirement for Dr. Paul Ray, School of Medicine & Health Sciences, from October 18, 1999 to March 3, 2000; and Dr. John Crawford, to teach Linguistics for Teacher at FBCC for 1999-2000 at the **University of North Dakota**.
 16. Ratify the action of the Chancellor to award contracts for the Biomedical Research Facility at the **University of North Dakota**: Moorhead Electric \$398,800, CustomAire \$485,000, Klemetsrud Plumbing & Heating \$418,800. Also ratified the action of the Vice Chancellor for Administrative Affairs to award contracts to: Honeywell, Inc. \$177,780, Sherlock Construction \$89,900, North Central Construction, Inc. \$69,400, Central Door & Hardware, Inc. \$71,475. New facility listed in the 1994 UND Master Plan. Source of funding \$6,000,000: State bonding \$3,000,000, UND USDA Grand funds \$600,000, UND Alumni Foundation \$1,200,000, UND Local funds (Rehabilitation Hospital funds) \$1,200,000.
 17. Declare that an emergency situation exists and authorize the **University of North Dakota** to negotiate a contract for masonry work on the Biomedical Research Facility without seeking bids. Authority for the requested action is NDCC 48-01.1-02.
 18. Ratify the action of the Chancellor to award contracts for the demolition portion of the Smith Hall flood project at the **University of North Dakota**. Fugleberg Contracting \$51,400, Associated Plumbing & Heating \$17,300, Rygg Electric \$13,325. Total costs of \$82,025. Source of funding: FEMA and insurance proceeds.
 19. Authorize the **University of North Dakota** to proceed with the repairs, modifications and improvements to the campus storm sewer utility system. Further request authorization to advertise for architectural/engineering services for the project and that the Chancellor be authorized to award a contract based on the recommendation of the Agency Selection Committee and also to accept bids and award installation contracts. Included in the 1999-2001 Major Capital Projects infrastructure repair budget and 1994 Master Plan. Estimated cost if \$1,015,000. Source of funding provided by appropriated Plant Improvements.
 20. Authorize the **University of North Dakota** to proceed with repairs, modifications and improvements to the campus high voltage electrical distribution system. Further authorized UND to advertise for architectural/engineering services for the project and that the Chancellor be authorized to award a contract based on the recommendation of the Agency Selection Committee and also to accept bids and award installation contracts. Included in the 1999-2001 Major Capital Projects infrastructure repair budget and 1994 Master Plan. Estimated cost is \$1,540,000. Source of funding provided by Appropriated Plant Improvements.

21. Approved a request from the **University of North Dakota** to name the Apartment Center Community Center Multi-Purpose Room in honor of Terry Webb, former Director of Resident Services.
22. Ratify the action of the Vice Chancellor for Administrative Affairs in awarding a contract to Michael J. Burns Architects, Ltd. to provide services for the McFarland Hall, Vangstad Auditorium and McCarthy Hall Sprinkler and Exit Upgrade Project at **Valley City State University**. Included in the Master Plan Update May 1998 and Capital Project Priority List.
23. Authorized an additional \$6,200 in local funds authority for 1997-1999 for total authority of \$238,500 for Outreach Education and Training at **Williston State College**.
24. Approved appointments to State Grant Advisory Board.

900 Facilities

MiSU McFarland Auditorium

Dr. Shaar presented a request to the Board for permission to engage in a capital campaign to raise private funds to support the renovation of McFarland Auditorium in Old Main. Their objective is to raise no less than \$2 million to reduce the State's obligation. Total estimated cost of the project is \$7.5 million. The campaign would begin October 1, 1999, and be completed no later than June 30, 2001.

It was moved by Mr. Korsmo, seconded by Mr. Bernstein to authorize **Minot State University** to engage in a capital campaign to raise private funds to support the renovation of McFarland Auditorium in Old Main. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

400 Academic Affairs

Programs

Dr. Hillman presented a request from NDSU for approval of a new option in chemistry titled Chemistry Education Option. **It was moved** by Mrs. Clayburgh, seconded by Mr. Peltier to approve **North Dakota State University's** request of a new option in chemistry entitled Chemistry Education Option. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

Dr. Hillman presented a request from MiSU to offer a Bachelor of Science degree in Multimedia Studies. **It was moved** by Mr. Caspers, seconded by Mr. Korsmo to approve **Minot State University's** request to offer a Bachelor of Science degree in Multimedia Studies. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson and Mrs. Satrom voted aye. The motion carried.

Technology Based Entrepreneurship Pilot Program

Dr. Hillman Dr. Denny Elbert (UND), Dr. Otto Helweg (NDSU), and Dr. Bob Sando (MiSU) presented a delivery plan to promote a technology based entrepreneurship pilot program, which is a joint effort between MiSU, NDSU, and UND. Dr. Hillman said this is not a degree-granting program; rather participants would receive a certificate of completion. The initial goal of the project is to develop twenty new technology-based business opportunities. Dr. Elbert said, "The primary purpose of this pilot program is to look at how higher education can contribute to economic develop." Dr. Helweg indicated this program will provide opportunities and education for North Dakotans to start a business. **It was moved** by Mr. Peltier, seconded by Mrs. Clayburgh to provide one time support of \$32,036 in contingency funds and \$32,036 in Board initiative funds to **Minot State University, North Dakota State University, and the University of North Dakota** to deliver the Technology Based Entrepreneurship Program. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried. A copy of the delivery plan is on file in the System Office.

Tenure Requests

Dr. Hillman presented a request from NDSU for tenure for Dr. David Wells. **It was moved** by Mrs. Clayburgh, seconded by Mr. Korsmo to approve the tenure request from **North Dakota State University** for Dr. David L. Wells, proposed Professor and Chair, Department of Industrial and Manufacturing Engineering, effective October 1, 1999. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

Dr. Hillman presented a request from UND for tenure for Dr. Robert Rubeck and Dr. Manuchair Ebadi. **It was moved** by Mr. Korsmo, seconded by Mr. Isaacson to approve the tenure request from the **University of North Dakota** for Dr. Robert Rubeck, Associate Professor of Family Medicine at the School of Medicine & Health Sciences, and Dr. Manuchair Ebadi, professor and chair of the Department of Pharmacology. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

900 Facilities cont.

NDSU Research/Technology Park

Dr. Chapman briefed the Board on the research/technology park proposed for the NDSU campus. He indicated the Phoenix International Corporation, a subsidiary of the John Deere Corporation, submitted a letter of intent to develop and be the anchor of the research/technology park. Dr. Chapman stated some of the benefits to the University: will enable NDSU to obtain grants to support programs and research, enhance University/industry participation with respect to faculty development, an opportunity for faculty to participate in "real world" research and development problems, and provide incubators for new businesses. Some benefits for the students: opportunity for participation in a work study program, allow support for graduate students/programs, convenient location on campus, exposure to "real world" problems/problem solving, create opportunity for students to interact with faculty and industry, and new job opportunities.

Mr. Dick Rayl indicated that the targeted completion date is December 1, 2000. Mr. Rayl asked that the Board give NDSU permission to form a private non-profit corporation and permission to prepare a land lease between NDSU and the new non-profit corporation. He also indicated that NDSU may request approval of the Articles of Incorporation, the By-laws, and a master land lease at a special Board meeting prior to November 1, 1999. The Park will be located along 18th Street North, directly south of 19th Avenue North and north of 17th Avenue North. One building will be a 50,000 square foot structure that will allow for expansion. Also being planned are two 15,000 square foot structures. One of these structures will be rented by NDSU for research space and will be paid for by indirect cost funding from additional research. NDSU anticipates being able to generate \$5 million through research being done in this facility. The indirect cost income from the additional \$5 million in research funds will be adequate to cover the cost of the rent. The third building will be used for research incubator space, additional tenants, and research offices. Financing the new facility will be a combination of public and private funds and revenue bonding.

The research/technology park was included in the original Master plan. Partnering with NDSU on this venture are the city of Fargo, Northern States Power Company, and Fargo Cass County Economic Development Corporation.

Mr. Bruce Furness, Mayor of Fargo, stated that the city of Fargo is willing to contribute and get the infrastructure in and do what ever they can to make this research/technology park a reality. He said that jobs will be created with this park and it may help keep youth in the community.

Mr. Kent Larson, Northern States Power Company, informed the Board that NSP has already provided \$50,000 in funds to complete a comprehensive study of the proposed idea. Mr. Larson said having a research/technology park provides opportunities for other companies to start up/move to North Dakota. He stated they are anticipating approximately 150 new jobs.

Mr. John Kramer, Fargo Cass County Economic Development Corporation, said EDC will assist in acquiring tenants, securing financial support, and providing development expertise.

It was moved by Mr. Isaacson, seconded by Mrs. Clayburgh to authorize **North Dakota State University** to proceed with development of a self-sustaining research park, including briefing of legislative committees as may be appropriate and, subject to the Chancellor's approval of the terms, creation of a non-profit corporation and a long term master land lease with such corporation. NDSU shall report to the Board at the November Board meeting or a special Board meeting, depending on time frame of potential private investors, a five-year budget for the proposal, including sources of start-up funds and revenue for continuing operations. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Mr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

Board Members Reports

Mrs. Clayburgh reported that she visited campuses in Ireland, Norway, and Sweden.

Public Comment

No public comment.

The meeting adjourned at 1:30 p.m. CT. The Board of Higher Education will hold a special meeting on October 28, 1999, at 7 p.m. Location not yet determined. The next regular meeting of the State Board of Higher Education will be November 18-19, 1999, at Minot State University.