

STATE BOARD OF HIGHER EDUCATION
Minutes—January 20, 2000
Conference call

The State Board of Higher Education met via conference call January 20, 2000. The president called the meeting to order at 2:30 p.m. CT. Members participating were:

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

Presidents and Executive Deans participating were:

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

Staff members participating 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
Sheila Tibke, Administrative Secretary

Minutes

It was moved by Mrs. Clayburgh, seconded by Dr. Kunkel, and unanimously carried to approve the minutes of the October 27, 1999, October 28, 1999, and November 18-19, 1999, meetings as distributed.

Board President's Report

President Satrom reported that she met with the Board Audit Subcommittee (Board members Caspers and Isaacson) and the State Auditor's Office to review the NDUS FY 1999 Financial Statement Audit. She indicated an interest in forming a SBHE finance subcommittee. She

suggested that possible duties of this subcommittee might be to review, discuss, and make recommendations to the Board on financial matters related to:

- Annual and biennial budget guidelines, including budget priorities, salary policy, etc.
- Annual budget allocation from various Board pools
- Room, board, tuition and fee rate guidelines
- Budget monitoring format and policy and fiscal accountability measures
- Annual budget format and content
- Content of financial reports (annual, biennial, student charges, etc.)
- New or revised funding methodologies
- Examine equity funding issues
- Capital budget guidelines and priorities
- Audits

President Satrom suggested that the subcommittee membership could consist of three Board members (possibly serve two-year terms to coincide with the legislative biennial term). NDUS staff and campus representatives would participate in discussions with the subcommittee. Several other Board members expressed interest in the idea. President Satrom asked the Board members to give it some thought and to be prepared to discuss it further at the February Board meeting.

Chancellor's Report

Chancellor Isaak updated the Board members on the progress of the lease of land at VCSU for the technology center. VCSU is now working with the development corporation for lease of the Winter Show land. This was one of two possible sites presented to the Board in November 1999. The Board has already given the Chancellor the authority to approve the final lease agreement.

Student Association Report

Mr. Bernstein reported that the ND Student Association would be meeting January 21-22, 2000, at the NDSU Alumni Center.

Council of College Faculties Report

Dr. Andreasen reported that the CCF met December 14, 1999, and the major focus of the meeting was the proposed policy changes. Subcommittees have been formed to work more intensely on the policy revisions that are being proposed to the Board. The CCF will meet on January 27, 2000, via IVN.

Consent Agenda

Following clarification on items 1, 2, and 6, **it was moved** by Mr. Peltier, seconded by Mrs. Clayburgh to approve the following consent agenda items 1 through 14. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Caspers, Mr. Korsmo, Dr. Kunkel, Dr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

1. Permit **Bismarck State College** to request Budget Section approval to expand the project scope for Student Union improvements. Request is for an additional \$250,000. Board approved a request in September 1999 to proceed. BSC would utilize \$60,000 from unrestricted local fund reserves and \$190,000 from auxiliary reserves.
2. Approve the final financing resolution for **Bismarck State College** to issue Facilities Improvement Revenue Bonds, Series 2000 in the amount of \$250,000 for the Student Union renovation project. Exhibit A.
3. Permit **Bismarck State College** to request Budget Section approval of local funds received from federal, public, private or other sources for the Bismarck State College music addition. Revised cost of the project is \$762,000.
4. Permit **Dickinson State University** to obtain an architect to develop a schematic design for the Murphy Hall renovation and addition for the purpose of establishing the project scope and a more accurate cost estimate. Estimated cost of the architectural preplanning work is \$45,000. Funding is being provided from the OMB preplanning funds. These funds were allocated by the Budget Section in December 1999.
5. Approve **Lake Region State College** Mission Statement
6. Permit **Mayville State University** to seek Budget Section approval, if necessary, to replace two boilers with four modular boilers at a cost of \$703,250 and request permission to transfer \$164,150 from the NDUS Contingency and Capital Improvement Emergency Fund to be applied toward the Boiler Project. HB 1003 for 1999-2001 included \$760,000 in general fund appropriations in the Capital Improvements line item for boiler repair and fuel storage. Boiler replacement included in the Master Plan Update in May 1998.
7. Approve grants for **Minot State University**
8. Authorize **Minot State University** to issue a contract for the installation of a Baseband Video Distribution System in Memorial Hall to Audio Systems Co. Authorization to proceed was granted November 1999. Project cost \$150,000 (Bid package B with alternate #1). Project cost including engineering fees available in 1997-1999 General Fund carryover.
9. Permit **Minot State University** to obtain an architect to develop a schematic design for the Old main renovation for the purpose of establishing the project scope and a more accurate cost estimate. Estimated cost of the architectural preplanning work is \$65,000.

Funding is being provided from the OMB preplanning fund. These funds were allocated by the Budget Section in December 1999.

10. Approve grants and contracts for **North Dakota State University**
11. Permit **North Dakota State University** to obtain an architect to develop schematic design for the Minard Hall Renovation project for the purpose of establishing the project scope and a more accurate cost estimate. NDSU does not intend to expend more than \$62,500 for the preplanning phase. Source of funding is from the preplanning revolving fund at OMB.
12. Approve grants and contracts for the **University of North Dakota**
13. Permit the **University of North Dakota** to proceed with renovation of the 1st, 2nd, and 3rd floor bathrooms in Smith Hall. Further authorized to advertise for architectural/engineering services 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 construction contracts. Renovations identified in the 1994 Master Plan. Estimated cost of project is \$925,000. Source of funding is from Housing reserves available as a result of the 1998 Revenue Bond Refunding.
14. Authorize the **University of North Dakota** to award architectural/engineering contracts for the following:
 - a. Advanced Engineering for repairs, modifications and improvements to the campus storm sewer utility system based on the recommendation of the Agency Selection Committee. Authorization to proceed granted in September 1999. Project funded in the 1999-2001 Major Capital Projects and was part of the 1994 Master Plan. Estimated cost is \$1,015,000. Source of funding is Appropriated Plant Improvements.
 - b. Ulteig Engineering for the repairs, modifications and improvements to the campus high voltage electrical distribution system based on the recommendation of the Agency Selection Committee. Authorization to proceed granted in September 1999. Project funded in the 1999-2001 Major Capital Projects and included in 1994 Master Plan. Estimated cost is \$1,540,000. Source of funding is Appropriated Plant Improvements.
 - c. Permission to advertise for architectural services for the master planning of the School of Medicine and Health Sciences. Further authorized the Chancellor to award a contract based on the recommendation of the Agency Selection Committee. Estimated cost for architectural services will be in a not-to exceed contract of \$50,000. Source of funding will be School of Medicine local funds.

400 Academic Affairs

Academic Requests

Dr. Hillman presented the following academic requests. **It was moved** by Mr. Korsmo, seconded by Dr. Isaacson to approve the following academic requests. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Dr. Kunkel, Dr. Isaacson, and Mrs. Satrom voted aye. The motion carried.

- **Mayville State University** requests approval to offer a new minor program of study in Education Technology. This program is in reply to a demand from local schools for educators with high levels of computer skills. MaSU expects 15 students to enroll and approximately 12 students to complete this minor each year.
- **Mayville State University** requests approval of a new minor program of study in E-Business. This program is in response to an interest in e-commerce and e-business expressed by students. MaSU expects 20 students to enroll immediately with expectations of 15 completing the program each year.
- **Minot State University** requests approval to terminate the following programs due to a lack of interest for several years. There are currently no students enrolled in these programs.
 - Bachelor of Science in Education: Economic Education
 - Bachelor of Science in Education: Sociology Education
- **North Dakota State University** requests approval to offer a new minor program in Food Safety. Food safety concerns are at an all time high; yet, there is a lack of individuals with food-safety expertise. NDSU expects initial enrollments of 45 students with approximately 40 students who will complete the program each year.
- **North Dakota State University** requests approval of a new minor in Industrial Engineering & Management. This degree has been encouraged by the IME advisory board. This minor is meant to augment an engineering students' major degree and improve a students' initial job prospects. This minor program is an educational enhancement opportunity for students currently majoring in mechanical, electrical, agricultural and biosystems, civil, and construction engineering. NDSU expects at least ten students to enroll in and complete this minor per year.

Dr. Hillman also presented a request from **Dickinson State University** for program title and degree changes for the following associate degree programs:

From Associate of Science in Office Administration to Associate of Applied Science in Office Administration

From Associate of Science in Practical Nursing to Associate of Applied Science in Practical Nursing

This request will also require a change to BHE Policy 409. Currently DSU is not authorized to offer associate of applied science degrees. These programs do not meet the General Education

Requirement Transfer Agreement (GERTA), as they are currently described as associate of science degrees, for transfer articulation into baccalaureate programs. Following discussion, **it was moved** by Mr. Peltier, seconded by Dr. Kunkel to waive second reading and approve on first reading and final passage the amendment to **BHE Policy 409** authorizing Dickinson State University to offer associate of applied science degrees. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Dr. Kunkel, Dr. Isaacson, and Mrs. Satrom voted aye. Mr. Caspers voted no. The motion carried.

It was moved by Mr. Peltier, seconded by Mr. Korsmo to allow **Dickinson State University's** request for program title and corresponding degree changes for the above two associate degree programs in office administration and practical nursing. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Dr. Kunkel, Dr. Isaacson, and Mrs. Satrom voted aye. Mr. Caspers voted no. The motion carried.

During discussion, it was suggested that the issue of two-year campuses offering four-year programs and four-year campuses offering two-year programs be reviewed at a future meeting.

800 Financial Affairs

Ms. Glatt presented the NDUS FY 1999 Financial Statement Audit Report. The Board Audit Subcommittee and President Satrom met with the State Auditor's Office January 12, 2000, to review the audit report. Ms. Glatt said all of the audit issues and recommendations have either been resolved and/or will continue to review with the SAO and pursue internal discussions about the appropriateness of compliance. The audit was presented to the Legislative Audit and Fiscal Review Committee (LAFRC) on January 18, 2000, and LAFRC chose to delay acceptance of the report due to limited time for review. It will be placed on LAFRC's next agenda for final approval. The next LAFRC meeting date has not been set. **It was moved** by Dr. Isaacson, seconded by Mrs. Clayburgh to approve the NDUS FY 1999 Financial Statement Audit Report. Mr. Peltier, Mrs. Clayburgh, Mr. Bernstein, Mr. Korsmo, Mr. Caspers, Dr. Kunkel, Dr. Isaacson, and Mrs. Satrom voted aye. The motion carried. A copy of the report is on file in the System office.

Board Member/Campus Reports

Mrs. Clayburgh reported that she and Dr. Kunkel visited VCSU on January 18, 2000, and received additional information about the technology center and visited with students. Dr. Kunkel said that Dr. Chaffee and her staff did an excellent job in the information presented in the short amount of time that was available.

Dr. Isaacson gave an update on the WSC presidential search. The committee met January 18, 2000. To date, 13 applications have been received; however, one has withdrawn due to acceptance of another position. The committee reviewed the applications and rejected four. Committee members will check references on the remaining eight applicants prior to February 1. At this meeting, the committee will narrow the selection and invite the semi-finalists to Williston

for interviews with the search committee. He expressed his disappointment that no current employees within the NDUS submitted an application and encouraged interested individuals to submit an application as soon as possible. The committee hopes to forward four to five finalists to the Board for interviews.

Mr. Caspers reported that the NDSCS presidential search committee met January 10, 2000. The committee will review applications at the end of February. He reiterated Dr. Isaacson's request for people within the NDUS to apply for the position.

Public Comment

There was no public comment.

The meeting adjourned at 3:35 p.m. CT. The next regular meeting of the State Board of Higher Education will be February 17-18, 2000, at Mayville State University.