

ND STATE BOARD OF HIGHER EDUCATION

Minutes—November 15, 2007

Devils Lake, North Dakota

BREAKFAST MEETING

Board members met for breakfast in the Lake Region State College dining room with campus representatives for a briefing on campus issues. No action was taken.

BUSINESS MEETING

The State Board of Higher Education met in the Lake Region State College Chautauqua Room. The Board president called the meeting to order at 8:45 a.m. CT. Members present:

Mr. John Q. Paulsen, president
Ms. Sue Andrews
Mr. Jon Backes
Mr. Duaine Espegard

Ms. Pam Kostelecky, via phone
Mr. Nate Martindale
Mr. Grant Shaft
Dr. Tom Barnhart, faculty advisor

Member absent:

Mr. Richie Smith, vice president

Presidents, campus deans, and campus representatives present:

Dr. Larry Skogen, BSC
Dr. Rich Brauhn, DSU
Dr. Sharon Etemad, LRSC
Dr. Gary Hagen, MaSU
Dr. David Fuller, MiSU

Dr. Ken Grosz, MiSU-BC
Mr. Harvey Link, NDSCS
Dr. Joe Chapman, NDSU
Dr. Ellen Chaffee, VCSU
Dr. Joe McCann, WSC

Staff members present:

Mr. Bill Goetz, chancellor
Dr. Michel Hillman, vice chancellor for academic & student affairs
Ms. Laura Glatt, vice chancellor for administrative affairs
Dr. Marsha Krotseng, vice chancellor for strategic planning/executive director of CTEC
Mr. H.P. Seaworth, general counsel/executive secretary
Ms. Debra Anderson, public affairs director
Ms. Sheila Tibke, SBHE administrative secretary/financial aid assistant

MINUTES

It was moved by Shaft and seconded by Backes to approve the minutes of the September 20, 2007; October 18, 2007; and October 26, 2007, meetings. Andrews, Backes, Espegard, Kostelecky, Martindale, Shaft, and Paulsen voted aye. The motion carried.

BOARD PRESIDENT'S REPORT

President Paulsen said action on the University of North Dakota School of Medicine and Health Sciences performance audit (agenda item 12) will be delayed until early December 2007.

President Paulsen reported he and Chancellor Goetz participated in Dr. Hagen's inauguration.

President Paulsen commended Chancellor Goetz on his election as incoming vice chair of the Midwestern Higher Education Compact.

Ms. Kostelecky reported on the Western Interstate Commission for Higher Education conference.

Mr. Shaft reported on the Midwestern Higher Education Compact meeting.

DSU Presidential Search

Ms. Kostelecky provided an update on the DSU presidential search. The committee has finished interviewing five semi-finalists, and, on November 19, the search committee will meet and make a recommendation to the SBHE.

Ms. Kostelecky left the meeting at this time.

UND Presidential Search

Mr. Espesgard provided an update on the UND presidential search. The field has been narrowed to eight applicants who will be interviewed off campus.

LRSC President Search

Mr. Shaft provided an update on the LRSC presidential search. Nine applications have been received. The search committee will meet again December 10.

VCSU Presidential Search

Ms. Andrews said the VCSU presidential search committee will hold its first meeting in early December.

President Paulsen said he has asked Chancellor Goetz to work with UND representatives and Sioux tribal leaders regarding resolution of the UND nickname and logo dispute. This plan is in accordance with a suggestion made by Attorney General Stenehjem following the settlement agreement between the NCAA and UND approved by the Board on October 26, 2007.

CHANCELLOR'S REPORT

Chancellor Goetz reported:

- ♦ He met with the superintendents of North Dakota's large school districts September 24 in Devils Lake.

- ♦ He participated in an MiSU Board of Regents meeting in October, a meeting of the MaSU strategic planning committee, and the NDSCS state-of-the-college address and a meeting of the NDSCS president's cabinet in late October.
- ♦ The Chancellor's Cabinet met in Bismarck October 31. Institution presidents reported on campus security.
- ♦ Ms. Peggy Wipf, NDUS federal relations coordinator, and he met with members of the North Dakota Congressional delegation in Washington, D.C. in early October. They discussed student financial aid, grant application processes, and other higher education issues prevalent at the federal level.
- ♦ The legislative interim Budget Section approved the projects submitted by the Board as well as the centers of excellence requests.
- ♦ He attended the Midwestern Higher Education Compact annual meeting in Des Moines, Iowa, November 5-6.
- ♦ The statewide workforce advisory boards met November 8 in Bismarck, which is the second combined meeting of the boards.
- ♦ The Faculty and Staff Compensation Committee will meet soon to discuss faculty and staff salary issues.
- ♦ *Project Vital Link* brochures have been sent to school counselors and high school juniors and seniors.
- ♦ He recently was interviewed for Prairie Public's "Prairie Pulse," which will air November 30.

NORTH DAKOTA STUDENT ASSOCIATION REPORT

Ms. Haylee Cripe, North Dakota Student Association (NDSA) president, reported the NDSA:

- ♦ Will meet November 16-17 in Minot. They will discuss a new letter-writing campaign to stay in contact with legislators during the interim and to express their gratitude to legislators.
- ♦ Is discussing the possibility of a fall break for NDUS institutions. Some institutions have a fall break in October.
- ♦ Is looking at promoting absentee ballots.
- ♦ Elected Michele Havilland as student representative on the *ConnectND* Oversight Committee.
- ♦ Is looking at goals and strategies for the upcoming year and doing a self-analysis of the organization.
- ♦ Will meet January 25-26, 2008, at BSC. There will be a presentation explaining NDSA operations to students who have joined the group.

COUNCIL OF COLLEGE FACULTIES REPORT

Dr. Barnhart deferred his report until the discussion with CCF later in the meeting.

BOARD BUSINESS

Board Policy Manual Revisions

It was moved by Andrews and seconded by Martindale to approve the following policies on introduction and first reading.

- ♦ 511 – Student Criminal History Background Checks (*new policy*)
- ♦ 602.3 – Job Applicant and Employee Criminal History Background Checks (*new policy*)

Andrews, Backes, Espegard, Martindale, Shaft, and Paulsen voted aye. The motion carried. Exhibit A.

It was moved by Shaft and seconded by Espegard to approve SBHE Policy 803.1 – Purchasing Procedures on introduction and first reading. Andrews, Backes, Espegard, Martindale, Shaft, and Paulsen voted aye. The motion carried. Exhibit B.

It was moved by Espegard and seconded by Backes to approve Human Resource Policy 6 – Annual Leave on introduction and first reading. Andrews, Backes, Espegard, Martindale, Shaft, Smith, and Paulsen voted aye. The motion carried. Exhibit C.

It was moved by Martindale and seconded by Andrews to approve SBHE Policy 1901.3 – Information Technology Project Management on second reading and final adoption, effective immediately. Andrews, Backes, Espegard, Martindale, Shaft, and Paulsen voted aye. The motion carried. Exhibit D.

Budget and Finance Committee Recommendations

It was moved by Backes and seconded by Espegard to approve the following:

- ♦ Allocate \$16,398.80 from the 2005-07 contingency fund for disabled student services
- ♦ Allocate an additional \$250,000 in one-time funding from the 2007-09 Education Incentive Program to doctoral programs at UND and NDSU

Andrews, Backes, Espegard, Martindale, Shaft, and Paulsen voted aye. The motion carried.

Consent Agendas

Academic Consent Agenda

It was moved by Andrews and seconded by Martindale to approve the following academic requests:

- ♦ Dickinson State University's request to offer a major and minor in international business within the B.S. degree

- ♦ Minot State University-Bottineau Campus' request to offer a small business management A.A.S.
- ♦ Minot State University-Bottineau Campus' request to offer a caregiver services A.A.S. and program diploma
- ♦ North Dakota State University's request to establish the NDSU Bio Energy and Product Innovation Center
- ♦ North Dakota State University's request to establish a Center for Global Initiatives and Leadership
- ♦ North Dakota State University's request to establish the NDSU Center for Visual Neuroscience

Andrews, Backes, Espegard, Martindale, Shaft, and Paulsen voted aye. The motion carried.

Financial and Facility Consent Agenda

It was moved by Backes and seconded by Espegard to approve the following financial and facility requests:

- ♦ Acknowledge receipt of \$3,162.70 from the North Dakota State Council on Economic Education and direct use of the funds to Minot State University to be used for scholarship(s) for students enrolled in the business education program
- ♦ Authorize North Dakota State University to proceed with the replacement of underground steam and condensate pipelines located in the western part of the campus. Estimated cost: \$927,000. Source of funds: 2007-09 extraordinary repairs budget, 2007-09 one-time funding provided in HB1003, and local funds
- ♦ Authorize North Dakota State University to proceed with the installation of a fire suppression system in Seim Hall residence high rise. Estimated cost: \$814,200. Source of funds: residence life repair and replacement fund
- ♦ Authorize the University of North Dakota to sell Lot 11 B 2, Dyke Avenue, Dacotah Place Addition, a residential lot, acquired through a gift from the UND Foundation
- ♦ Authorize the University of North Dakota to proceed with renovation of approximately 500 square feet of space in the College of Nursing to accommodate installation of a patient simulator. Estimated cost: \$150,000. Source of funds: local funds and alumni funds made available specifically for this project

Andrews, Backes, Espegard, Martindale, Shaft, and Paulsen voted aye. The motion carried.

Personnel Consent Agenda

It was moved by Espegard and seconded by Andrews to approve honorary doctorate of agriculture degrees to John S. Dean, Sheldon Ellig, and Harold Newman at North Dakota State University. Andrews, Backes, Espegard, Martindale, Shaft, and Paulsen voted aye. The motion carried.

MAJOR POLICY DISCUSSIONS & SPECIAL REPORTS

Interim Higher Education Committee

Chancellor Goetz said it is important that a clear, consistent message about NDUS objectives is presented when the SBHE meets with the interim Higher Education Committee on December 4.

Dr. Krotseng distributed and reviewed draft background material for the interim committee meeting.

Dr. Barnhart said faculty are not mentioned in the draft, and they are a big part of the institutions. Dr. Barnhart said reference to faculty would fit well with attracting, developing, and retaining a world-class workforce.

There also was discussion on the need to reinvigorate the roundtable process to respond to state needs.

Discussion with the Council of College Faculties

The Board met with members of the Council of College Faculties. In addition to Dr. Barnhart, CCF members in attendance included:

- ♦ Shirley Wilson, BSC
- ♦ Ann Smith, NDSCS
- ♦ Neil Mueller, NDSU
- ♦ Fernando Quijano, DSU
- ♦ Harlene Hatterman-Valenti, NDSU
- ♦ Patty Heisler, MaSU
- ♦ Jon Jackson, UND

Discussion topics focused on:

- ♦ Faculty compensation: CCF members encouraged Board members to do what they can to increase faculty salaries in the NDUS.
- ♦ The Arts and Humanities Summit: It will be held in October 2008 at BSC.
- ♦ Professional development: CCF members asked the Board to consider changing the tuition waiver policy to allow faculty members to take any course from any institution with the cost shared between the two institutions.
- ♦ Retirement benefits: CCF members asked the Board to consider adding another level of retirement benefits for employees who have been employed beyond 10 years and to consider increasing the state contribution to 12.5% and the employee contribution to 2.5% for these employees. This could help with retention issues.
- ♦ HERI Report: The CCF supports the HERI Report and will partner with the system on administration of the survey.
- ♦ Faculty members on presidential search committees: President Paulsen and Mr. Seaworth explained the process for appointing presidential search committee members.

COMMUNITY MEETING

Community and business leaders from the Devils Lake area met with the Board, NDUS staff, and campus presidents to discuss suggestions for collaboration between higher education and the K-12 system. No action was taken.

MAJOR POLICY DISCUSSIONS & SPECIAL REPORTS (continued)

Substance Abuse Prevention

Dr. Karin Walton, North Dakota Higher Education Consortium for Substance Abuse Prevention director, presented the annual report for the consortium.

Ms. Kostelecky rejoined the meeting.

It was moved by Backes and seconded by Shaft to reaffirm commitment to the consortium for substance abuse prevention by adopting the following resolution, which was slightly modified from the resolution the Board originally approved on November 17, 2005:

Whereas, alcohol abuse by students results in death and injury, poor academic performance and retention, property damage and vandalism and strained town-gown relationships, and

Whereas, research supports the following strategies by presidents and board members to reduce high risk behavior:

- Be Vocal: Openly and publicly acknowledge that alcohol and other drug abuse problems exist within the University System.
- Be Visible: Take an active stand on alcohol and other drug issues, convey clear expectations and standards, and serve as role models for administrators, faculty and students.
- Be Visionary: Make alcohol and other drug prevention a strategic planning priority; Frame alcohol and other drug prevention discussions from perspectives that administrators, faculty, students and alumni care about – personal health and wellness, excellence in education and retention of students; and

Whereas, research further supports building strong coalitions that meet both campus and community needs and reduce high-risk behaviors, and

Whereas, research further supports that reaching out to campus, community and state groups to develop and implement comprehensive strategies for alcohol and other drug abuse prevention reduces high-risk behaviors, and

Whereas, research further supports that creating a campus environment that supports health and wellness reduces high-risk behaviors, and

Whereas, research further supports that offering and promoting alcohol-free social, recreational and extracurricular activities reduces high-risk drinking, and

Whereas, research further supports that restricting alcohol availability on campus, and restricting marketing and promotion of alcohol on campus reduces high-risk drinking, and

Whereas, research further supports that developing and enforcing stringent alcohol and other drug abuse campus policies reduces high-risk behaviors, Now

Therefore, let it be resolved that the State Board of Higher Education and the Chancellor's Cabinet proclaim support for alcohol and other drug abuse prevention efforts, and

Therefore, let it be further resolved that the State Board of Higher Education and Chancellor's Cabinet will work to build support for new programs and policies designed to address alcohol and other drug abuse, and

Therefore, let it be further resolved that the State Board of Higher Education and Chancellor's Cabinet will convey clear expectations and standards and ensure that entering freshmen and parents are aware of these expectations; and

Therefore, let it be further resolved that the State Board of Higher Education and Chancellor's Cabinet will author alcohol and other drug abuse prevention articles for campus and community publications;

Therefore, let it be further resolved that the State Board of Higher Education and Chancellor's Cabinet will work to ensure that all elements of the college community avoid providing "mixed messages" that might encourage alcohol and other drug abuse.

Andrews, Backes, Espegard, Kostelecky, Martindale, Shaft, and Paulsen voted aye. The motion carried.

Technology Update

Mr. Randall Thursby, NDUS chief information officer, provided an update on the *ConnectND* project. In response to a question from Mr. Smith, he explained that shadow systems are software that were developed or acquired by institutions because they thought they needed it to do their jobs. With advances in the *ConnectND* software, these shadow systems will need to continue to be reviewed to see if they can be eliminated. Mr. Thursby also said acquisition of third-party software, which must be interfaced to *ConnectND* by the institution, will be addressed in the implementing procedure for HB 1461. He said it is a lot of work for individual institutions to acquire third-party software, and, in addition, it is generally cheaper to buy the software as a group rather than for each individual institution to purchase the software.

Dr. Fuller provided an update on the CIO search committee. He said review of the applications will begin in early January 2008, and hopefully, Mr. Thursby's replacement will start in May and cross-train until June 30, 2008.

Institution Briefings

Dr. Fuller reported the MiSU Foundation purchased the Mt. Vernon Building located on the northeast corner of Broadway and University for \$585,000 and will take possession on April 1, 2008. The Prairie Community Development Center, alumni services office, and advancement offices may be located there.

PUBLIC COMMENT

There was no public comment.

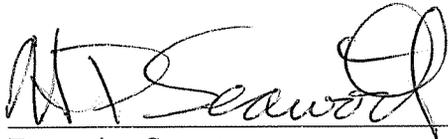
ANNOUNCEMENTS

The next State Board of Higher Education meeting will be held at Dickinson State University on December 5-6, 2007.

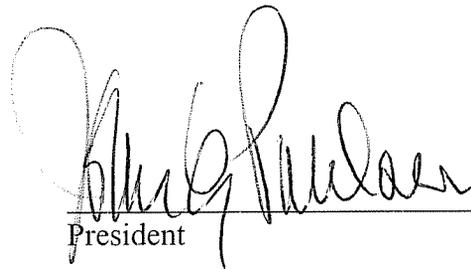
REVIEW OF BOARD MEETING

There were no comments.

The meeting adjourned at 2:00 p.m. CT.



Executive Secretary



President

January 17, 2008
Date

**SUMMARY AND RECOMMENDATION
INTRODUCTION AND FIRST READING
NEW SBHE POLICY 511**

Summary

Several recent tragic incidents led to a review of state statutes and higher education institution safety and security policies. The 2007 North Dakota Legislative Assembly amended NDCC section 12-60-24 to expand authority relating to criminal history records reports. The amended statute gives authority to obtain FBI reports on students enrolled in specified programs and for a final applicant for or employee in a specified position, as designated by the chancellor.

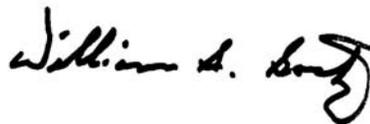
The NDUS academic affairs, student affairs and human resource councils have discussed appropriate safety and security practices and reviewed draft policies and procedures implementing the legislation and addressing related issues. In the end, the three groups reached consensus on policies and procedures that: 1) require disclosure of criminal history information on student application forms; 2) provide for a standard question or set of questions regarding criminal history on all undergraduate applications at all institutions; 3) authorize FBI criminal history reports on students in designated programs (to be listed in a procedure the chancellor approves following recommendations now under review by academic affairs officers); 4) require FBI reports on police officers and security guards; 5) authorize FBI reports on other designated positions; and 6) require criminal history reports, either a FBI report, state report or report of multiple jurisdictions, on specified positions, including chancellor, president, vice president, resident hall and apartment managers, custodians, child care employees, employees responsible for or with access to controlled substances, and counselors and coaches.

SBHE Policy 511 deals with student criminal history background checks and provides for: 1) disclosure of criminal history information on student application forms; 2) FBI reports on students in programs designated by the chancellor; and 3) adoption of implementing policies and procedures at each institution and the system office. The cabinet reviewed and concurs with the recommendation to adopt Policy 511.

Recommendation

I recommend the following motion be adopted by the SBHE:

“That new SBHE Policy 511 as shown on the attached draft is approved on introduction and first reading.”



William Goetz, Chancellor

Date of Meeting: November 15, 2007

Draft 11-06-07
**NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL**

SUBJECT: STUDENT AFFAIRS

EFFECTIVE:

Section: 511 Student Criminal History Background Checks

1. NDUS undergraduate admission applications shall require disclosure of criminal history information. Institutions that offer graduate or professional programs shall require disclosure of criminal history information on graduate and professional program applications. The chancellor shall adopt a procedure implementing this requirement and defining the information required on undergraduate applications.
2. The chancellor shall adopt an implementing procedure and designate the programs for which nationwide criminal history background checks are authorized under N.D.C.C. § 12-60-24. The procedure may include uniform requirements or guidelines that apply to all institutions or designated programs at all institutions.
3. Each institution shall adopt policies or procedures implementing this policy, including requirements or guidelines governing criminal history background checks on students and use of criminal history information in admissions decisions.

STATUTORY REFERENCES: N.D.C.C. § 12-60-24

HISTORY: New policy.

**SUMMARY AND RECOMMENDATION
INTRODUCTION AND FIRST READING
NEW SBHE POLICY 602.3**

Summary

Several recent tragic incidents led to a review of state statutes and higher education institution safety and security policies. The 2007 North Dakota Legislative Assembly amended NDCC section 12-60-24 to expand authority relating to criminal history records reports. The amended statute gives authority to obtain FBI reports on students enrolled in specified programs and for a final applicant for or employee in a specified position, as designated by the chancellor.

The NDUS academic affairs, student affairs and human resource councils have discussed appropriate safety and security practices and reviewed draft policies and procedures implementing the legislation and addressing related issues. There is consensus on policies and procedures that: 1) require disclosure of criminal history information on student application forms; 2) provide for a standard question or set of questions regarding criminal history on all undergraduate applications at all institutions; 3) authorize FBI criminal history reports on students in designated programs (to be listed in a procedure the chancellor approves following recommendations now under review by academic affairs officers); 4) require FBI reports on police officers and security guards; 5) authorize FBI reports on other designated positions; and 6) require criminal history reports, either a FBI report, state report or report of multiple jurisdictions, on specified positions, including chancellor, president, vice president, resident hall and apartment managers, custodians, child care employees, employees responsible for or with access to controlled substances, and counselors and coaches.

SBHE Policy 602.3 deals with job applicant and employee criminal history background checks. The policy requires: 1) implementing policies and procedures at each institution and the system office; 2) a FBI criminal history background report before an applicant may begin employment as a police officer or security guard; and 3) adoption by the chancellor of an implementing procedure designating the positions for which FBI reports are authorized. The implementing procedure (which does not require SBHE action) authorizes FBI reports on designated positions and requires a criminal history report as specified above.

Cabinet discussion revealed a difference of opinion regarding whether the policies and procedures should require FBI reports or permit less comprehensive state reports on applicants for senior administrative positions, including chancellor, president and vice president. The policy initially recommended by the HRC would require FBI reports on applicants for these positions. Several presidents expressed concerns that requiring FBI reports for these positions is unnecessary and might discourage applicants, because a FBI report is fingerprint-based and some potential candidates might be put off by that requirement. A search consultant at a national firm contacted for his opinion agreed with these concerns. The human resource council was asked to take another look at this issue. On November 7, 2007, the HRC voted 9-3 (with LRSC, MiSU-B and WSC representatives opposed and the DSU representative not voting because she is chair) to recommend a revised policy in which FBI reports are authorized but not required for the

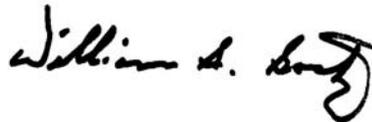
chancellor, presidents and vice presidents. In other words, the chancellor, presidents and vice presidents are put in the same category as resident hall and apartment managers, custodians, child care employees, employees responsible for or with access to controlled substances, counselors and coaches. A criminal history report is required for these positions. The required report may be a FBI report or a less comprehensive state or multiple-state report, as determined by the institution or appointing authority.

There is broad-based consensus on the recommended policy. There is disagreement regarding whether FBI reports should be required for the chancellor, presidents and vice presidents, but the majority of presidents and institution representatives favor the approach requiring a criminal history report but providing flexibility on the type of report. I agree with the majority view.

Recommendation

I recommend the following motion be adopted by the SBHE:

“That new SBHE Policy 602.3 as shown on the attached draft is approved on introduction and first reading.”

A handwritten signature in black ink that reads "William D. Goetz". The signature is written in a cursive style with a large, stylized 'G' at the end.

William Goetz, Chancellor

Date of Meeting: November 15, 2007

Draft 11-06-07
**NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL**

SUBJECT: PERSONNEL

EFFECTIVE:

Section: 602.3 Job Applicant and Employee Criminal History Background Checks

1. Each institution and the system office shall adopt a policy or procedure regarding criminal history background checks on job applicants.
2. A nationwide FBI criminal history background check is required before beginning employment in the following positions:
 - a. Police officer; and
 - b. Security guard.
3. The chancellor shall adopt an implementing procedure and designate the positions, including those listed in subsection 2 of this policy, for which nationwide FBI criminal history background checks are authorized under N.D.C.C. § 12-60-24. The procedure may include uniform requirements or guidelines that apply to all institutions and the system office.

HISTORY: New Policy.

REFERENCE: N.D.C.C. § 12-60-24

**SUMMARY AND RECOMMENDATION
INTRODUCTION AND FIRST READING
AMENDED SBHE POLICY 803.1**

Summary

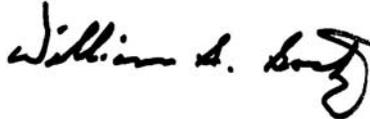
SBHE Policy 803.1 establishes rules governing purchases of equipment, supplies and services. Included is a section regarding when such purchases may be made informally and when the purchases are subject to formal bid requirements.

The provision that applies to purchases of equipment and supplies states that formal bids are required if the estimated cost is \$10,000 or more. However, the equivalent OMB policy, which governs purchases by state agencies other than the NDUS, has been revised to set this threshold at \$25,000. The NDUS administrative affairs council recommends an amendment to the policy to substitute \$25,000 for \$10,000, to make the NDUS policy consistent with the equivalent OMB policy. The administrative affairs council recommends additional minor edits that are also consistent with the OMB policy. The chancellor's cabinet concurs with these recommendations.

Recommendation

I recommend the following motion be adopted by the SBHE:

“That amended SBHE Policy 801.3 as shown on the attached draft is approved on introduction and first reading.”



William Goetz, Chancellor

Date of Meeting: November 15, 2007

**NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL**

SUBJECT: FINANCIAL AFFAIRS

EFFECTIVE: September 26, 2002

SECTION: 803.1 Purchasing Procedures

1. Each institution shall develop and implement necessary and appropriate policies and procedures to ensure compliance with laws and State Board of Higher Education policies governing purchasing. Officers and employees involved in purchasing decisions shall comply with all applicable federal and state laws and regulations relating to conflict of interest and acceptance of gifts and gratuities. Institution purchasing policies and procedures shall incorporate (or refer to) SBHE Policy 611.4 relating to conflict of interest, and include procedures for disclosing a conflict of interest. Further, institution purchasing policies and procedures shall address whether vendors' offers of scholarships, endowments and other premiums contained in bids or proposals will be considered and, if so, the criteria for evaluating such offers.
2. NDUS institutions shall cooperate and make joint purchases with the Office of Management and Budget Purchasing Division when advantageous to do so as intended by N.D.C.C. section 54-44.4-02. Institutions may also purchase equipment or supplies through participation in joint purchasing alliances formed with other states or organizations, when it is advantageous to do so. Additional bids or proposals shall be solicited from other vendors when required by law or this policy.
3. Personal property, equipment or supplies estimated at less than ~~\$40,000~~25,000 may be purchased at the discretion of the institution. When feasible, informal quotes or proposals should be solicited from ~~more than one vendor~~ a minimum of three vendors. Reasonable steps shall be taken to ensure that qualified North Dakota vendors have an opportunity to compete for the contract. Personal property, equipment or supplies estimated at ~~\$40,000~~25,000 or more must be purchased from formal bids. As many sources as possible, including qualified North Dakota vendors should be solicited.
4. Consulting or other contract services and insurance estimated at less than \$100,000 shall be purchased by negotiation, telephone or informal written quote or proposal. When feasible more than one vendor should be requested to submit prices to ensure appropriate competition. Reasonable steps shall be taken to ensure that qualified North Dakota vendors have an opportunity to compete for the contract. Consulting or other contract services or insurance estimated at \$100,000 or more must be purchased through a formal request for proposal process that includes procedures for identifying eligible vendors, developing a comprehensive requirements document, specifying unique needs, negotiating mutually acceptable contract terms, and listing minimum proposal requirements. Payments for services may be made only according to a written contract.

5. ~~Personal property, equipment or supplies estimated at \$10,000 or more must be purchased from formal bids. As many sources as possible, including qualified North Dakota vendors should be solicited.~~ All service contracts for a term in excess of three years shall include a provision for review of contract performance at specified intervals, not less frequently than once every two years. Service contracts may not exceed a term of ten years.
6. Items which do NOT require competitive bidding are purchases made from discount contracts under a group alliance or consortium, other items possessing unique characteristics or properties which because of those ~~peculiarities~~ characteristics or properties are essential to the conduct of particular research projects ~~or~~ instructional endeavors or other critical functions, or sole source services. Purchase of an item or service under this exception, is permitted only with the written approval of the purchasing officer or other official delegated that authority based upon documentation of:
 - a. The unique characteristics of the product, and
 - b. Specifically what task is to be performed requiring the unique characteristics of the product.

The purchasing office shall document in writing the process in all cases in which the lowest bid is not accepted. All required documentation shall be retained according to governing records retention policies.

7. Preference shall be given to North Dakota bidders when required pursuant to N.D.C.C. Section 44-08-01. Accordingly, preference equal to the preference given or required in the state of a nonresident bidder shall be given in purchasing any goods, merchandize, supplies, ~~or~~ equipment or professional services, including research and consulting services . ~~Also, when accepting bids for the provision of professional services, including research and consulting services, the contract shall be awarded to a resident North Dakota bidder if the bid of the resident North Dakota bidder is equal to or less than the low bid of a nonresident bidder and the resident North Dakota bidder has an acceptable performance history and meets the minimum requirements specified in the bid solicitation.~~

REFERENCES: N.D.C.C. Section 44-08-01; N.D.C.C. Section 54-44.4-02.

HISTORY: Article II, Section 2.C.
SBHE Minutes, September 9-10, 1982, pg 5070.
Amendment SBHE Minutes, May 10-11, 1984, pg 5242.
Amendment SBHE Minutes, October 26-27, 1989, pg 5901.
Amendment SBHE Minutes, May 24-25, 1990, pg 6002.
Amendment SBHE Minutes, April 23, 1992, pg 6222.
Amendment SBHE Minutes, January 20, 1994, pg 6430.

Amendment SBHE Minutes, June 26, 1995, pg 6569.
Amendment SBHE Minutes, April 17, 1998,
Amendment SBHE Minutes, April 4, 2000.
Amendment SBHE Minutes, November 17, 2000.
Amendment SBHE Minutes, September 26, 2002.

**SUMMARY AND RECOMMENDATION
INTRODUCTION AND FIRST READING
NDUS HR POLICY 6**

Summary

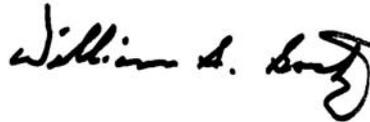
NDUS HR Policy 6 establishes rules governing annual leave for NDUS employees. Section 6.1 states that annual leave is “for the purpose of freeing (employees) from their regular duties to spend time in rest and recreation.”

This descriptive language is archaic and unnecessary. The NDUS Human Resource council recommends removal of the language and the chancellor’s cabinet concurs.

Recommendation

I recommend the following motion be adopted by the SBHE:

“That amended NDUS HR Policy 6 as shown on the attached draft is approved on introduction and first reading.”

A handwritten signature in black ink, appearing to read "William D. Goetz". The signature is written in a cursive style with a large, stylized 'G' at the end.

William Goetz, Chancellor

Date of Meeting: November 15, 2007

NORTH DAKOTA UNIVERSITY SYSTEM HUMAN RESOURCES POLICY MANUAL

6. ANNUAL LEAVE

6.1 - Annual leave with pay is earned by staff employees ~~for the purpose of freeing them from their regular duties to spend time in rest and recreation.~~ Institutional operations govern annual leave periods. Consideration is given first to the convenience of the administration, departmental needs, then the employee's departmental seniority and finally to employee's preference.

6.2 - Annual leave with pay for benefited full-time employees accrues based on rate per hour and is earned on the basis of continuous service from date of employment as follows:

- First through third year - the equivalent of 12 days per year
- Fourth through seventh year - the equivalent of 15 days per year
- Eighth through twelfth year - the equivalent of 18 days per year
- Thirteenth through eighteenth year - the equivalent of 21 days per year
- Over eighteen years - the equivalent of 24 days per year

Years of service shall be computed from employment anniversary date.

6.3 - Annual leave for benefited part time employees is earned on a prorated basis.

6.3.1 - Accumulated annual leave, up to 240 hours (or the equivalent on a prorated basis for benefited part-time employees) shall be carried forward on January 1 of each year. However, Connect ND project staff or other employees unable to use all earned annual leave due to the Connect ND project may, subject to the following limitations, carry forward up to 700 hours, on January 1, 2005, up to 550 hours, on January 1, 2006, and up to 400 hours, on January 1, 2007. Prior written approval of the employing institution's chief fiscal officer, or, for university system employees, the vice chancellor for administrative affairs, is required. Employees granted approval to carry forward additional hours must use at least eighty hours annual leave each calendar year. Carryover balances must be reduced to not more than 240 hours no later than January 1, 2008.

6.4 - Presidents, executive deans, provosts, vice presidents, positions excluded from the broadbanding system, and other positions approved by the president or chancellor at the time of hire are entitled to a minimum of twelve working days and a maximum of twenty-four working days of annual leave each year to be taken at the convenience of the administration. Accrual rates for these employees are determined by the institution president or chancellor.

6.5 - Benefited staff employees eligible to accumulate annual leave must take forty hours (or the equivalent on a prorated basis for benefited part-time employees) of annual leave per year except for the year during which they are hired.

6.6 - When a holiday occurs during annual leave, the holiday is not considered a day of annual leave.

NDUS Human Resources Manual
Section 6. Annual Leave, Cont'd.

6.7 - Benefited staff employees terminating employment, or transferring to a position wherein annual leave accrual benefits do not apply, must be paid for earned unused annual leave at the hourly rate applicable at the time of termination or transfer subject to all approved payroll matched reductions/deductions. Unused annual leave shall include any leave carried over from the previous year and all accrued leave up to the date of termination.

6.8 - In case of death, all earned, unused annual leave shall be paid according to Sec. 34-01-12 of the North Dakota Century Code.

6.9 - Accrued annual leave for employees previously employed with other North Dakota institutions or agencies may be transferred to institutions under the State Board of Higher Education according to agreements between the employee and institution. If re-employment occurs within one calendar year, the re-employing institution shall credit the employee with prior years of service from any state agency in computing the annual leave accrual rate.

6.10 – At the discretion of the department head and the concurrence of the appropriate administrative officer, an employee may be granted annual leave in advance of the accumulation thereof. If an employee terminates employment, any annual leave taken in advance of accumulation may be deducted from the employee's last paycheck provided the employee has signed an agreement authorizing the deduction.

History:

(Replaces Staff Personnel Handbook (Old Manual) as revised March 26, 1976).

Amend. Sec. 6.1, 6.3, 6.3.1, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10, SBHE Minutes, June 20, 1991, pg 6143., also refer to exhibit H June 20, 1991

Amend. Sec. 6.1, 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10, 6.11, SBHE Minutes, March 20, 1997, pg 6744.

Amend Sec. 6.4, SBHE Minutes, May 12, 1999, pg 6984.

Amend. Sec. 6.2, 6.3, 6.5, 6.7, 6.10, SBHE Minutes April 26-27, 2001.

Amend. Sec. 6.3, SBHE Minutes, September 26, 2002.

Amend. Sec. 6.2 and 6.4, SBHE Minutes, May 8, 2003.

Amend. Sec. 6.7, 6.10, SBHE Minutes, May 3, 1007.

**SUMMARY AND RECOMMENDATION
SECOND READING AND ADOPTION
NEW SBHE POLICY 1901.3**

Summary

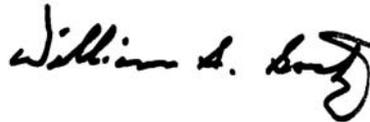
The 2007 North Dakota Legislative Assembly enacted NDCC section 15-10-44, which delegates to the SBHE full authority to manage and regulate information technology planning services for NDUS institutions. The legislation requires collaboration with the state's information technology department to coordinate higher education information technology planning with statewide information technology planning. Also, the SBHE is required to report to the legislative council information technology committee as requested by the committee.

Implementation of the legislation will require development of information technology policies, standards, guidelines and project management oversight and reporting requirements. Accordingly, I recommend that the SBHE delegate to the chancellor necessary authority to develop the required policies, standards and guidelines to implement this legislation, as provided in the attached new SBHE Policy 1901.3. The SBHE approved introduction and first reading of the attached policy on September 20, 2007.

Recommendation

I recommend the following motion be adopted by the SBHE:

“That new SBHE Policy 1901.3 as shown on the attached draft is approved on second reading and final adoption, effective immediately.”



William Goetz, Chancellor

Date of Meeting: November 15, 2007

**NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION
POLICY MANUAL**

SUBJECT: MISCELLANEOUS

EFFECTIVE:

Section: 1901.3 Information Technology Project Management

Consistent with NDCC section 15-10-44, the state board of higher education shall manage and regulate information technology planning and services for institutions under its control.

The Chancellor is delegated authority and directed to develop information technology planning, policies, standards, guidelines, and project management oversight and reporting in coordination with the state information technology department. NDUS Information Technology (IT) projects shall comply with established standards, guidelines, procedures and processes.

Not more frequently than every two years, a comprehensive information technology plan shall be Submitted to the Board for its review and approval. In addition, periodic progress reports on goal progress shall be submitted to the Board.

HISTORY: New Policy

REFERENCE: N.D.C.C. Section 15-10-44