

**North Dakota State Board of Higher Education**  
June 29, 2021, Meeting Minutes

The State Board of Higher Education met on Tuesday, June 29, 2021, at 8:30 a.m. CT., at Minot State University, 500 University Ave W, Minot, ND 58707.

Chair Hacker called the meeting to order at 8:30 a.m. CT.

SBHE Members participating:

Mr. Nick Hacker, Chair	Dr. Casey Ryan, Vice Chair
Ms. Erica Solberg	Ms. Kathleen Neset
Dr. Jill Louters	Mr. Tim Mihalick
Ms. Danita Bye	Ms. Retha Mattern, Staff Adviser
Dr. Elizabeth Legerski, Faculty Adviser	

Chancellor present: Dr. Mark Hagerott

Institution Representatives Present:

Dr. Brian Van Horn, President, MaSU  
Dr. Steve Shirley, President, MiSU  
Dr. John Miller, President, WSC  
Dr. Jerry Migler, Dean, DCB  
Dr. Doug Darling, President, LRSC  
Dr. John Richman, President, NDSCS  
Dr. Dean Bresciani, President, NDSU  
Dr. Doug Jensen, President, BSC  
Dr. Steve Easton, President, DSU  
Dr. Andy Armacost, President, UND  
Dr. Alan LaFave, President, VCSU

NDUS Senior Staff Participating:

Mr. Tammy Dolan, NDUS  
Ms. Lisa Johnson, NDUS  
Mr. Darin King, CTS  
Ms. Terry Meyer, NDUS  
Ms. Kristie Hetzler, NDUS  
Ms. Jane Grinde, NDUS  
Ms. Brenda Zastoupil, NDUS  
Dr. Jen Weber, CTS  
Mr. Jerry Rostad, NDUS

Others Participating:

Mr. Eric Olson, AG Office  
Incoming Board Member, Mr. Jeffrey Volk  
Incoming Board Member, Ms. Gracie Lian

1. **Agenda**

Ryan moved, Louters seconded, to approve the agenda with the following amendments:

- a) Item 14 – Remove the NDSU Report from consent agenda and move to Committee reports
- b) Recognition plaques will be presented after lunch break.

Mihalick, Neset, Louters, Bye, Solberg, Ryan, and Hacker voted yes.

**Board Consent** (2 – 19, with exception of item 14)

SBHE Budget and Finance Committee

- 2. [SBHE & System Office FY22 & FY23 operating budgets & campus assessments](#)
- 3. [FY22 Salary Ranges for Vice Chancellor & Senior Officers](#)
- 4. Ratify Chancellor's approval of [a \\$253,095 transfer from the capital assets](#) line to the NDSCS Operations line.
- 5. Ratify Chancellor's approval of a \$500,000 [transfer of the NDUS System Office Tier III](#) capital building fund appropriation line to the BSC capital building fund appropriation line.
- 6. Ratify Chancellor's approval of a \$275,000 [transfer of the NDUS System Office Tier III](#) capital building fund appropriation line to the LRSC capital building fund appropriation line.
- 7. Ratify Chancellor's approval of a \$84,055 [transfer of the NDUS System Office Tier III](#) capital building fund appropriation line to the VCSU capital building fund appropriation line.
- 8. [VCSU to purchase of 2 parcels of land in Barnes County](#) that are adjacent to the University from the VCSU foundation at a cost of up to \$309,000.
- 9. Authorize MaSU to [proceed with the construction of an addition to the existing Steam Plant](#), and installation of two natural gas boilers at an estimated cost of \$1,600,000.
- 10. [Amendment to Bank of America Master Lease](#)

SBHE Audit Committee

- 11. [2022 fiscal year audit plan](#)
- 12. [Compliance](#) and [Internal Audit](#) Independence Confirmations
- 13. [Internal Audit and Compliance Budgets](#)
- 14. ~~NDSU Report removed from consent and moved to report by the SBHE Audit Committee.~~

SBHE Academic and Student Affairs

- 15. State Authorization: [Embry Riddle University](#)
- 16. State Authorization: [Park University](#)
- 17. [Tenure](#)

SBHE Research and Governance Committee

- 18. [Chancellor Renewal Contract](#)
- 19. [CTS Project Report](#)

Ryan moved, Mihalick seconded, to approve the consent agenda items 2 – 13, and 15 – 19.

Louters, Bye, Solberg, Mihalick, Neset, Ryan, and Hacker voted yes.

**Committee Reports:**

- 20. [SBHE Committee Appointments](#) presented by incoming Board Chair, Dr. Casey Ryan.
- 21. SBHE Research and Governance Committee presented by Dr. Casey Ryan.
- 22. SBHE Audit Committee presented by Ms. Kathleen Neset. She explained the SBHE Audit Committee discussed complaints filed through the NDUS compliance department that

rose to the level of needing review by the committee. There are six requests denied by NDSU to grant religious freedom/relief regarding student housing that are still unresolved. On June 17<sup>th</sup>, there was Supreme Court ruling in favor of granting exemptions for students based on religious freedom. The committee agreed to call a special meeting to address the time sensitive issue that students are facing with the upcoming enrollment and housing. She stated the committee agreed that the current NDSU housing requests and all campuses, in consultation with legal counsel, will need to review their policies and consider the ruling when receiving student requests of this nature.

Hacker moved, Mihalick seconded, to have the Board instruct NDSU to review and reconsider all six exemption requests regarding the freshman on-campus requirement that have been made on the basis of religious beliefs or preferences in light of recent Supreme Court decisions, including *Fulton v. City of Philadelphia*. NDSU should also consider all future similar requests for exemptions on the basis of religious beliefs or preferences. In addition, the Chancellor should consult with the Board's legal counsel and other stakeholders to develop guidelines for all of the institutions considering requests for exemptions on the basis of religious beliefs or preferences.

Mihalick, Neset, Louters, Bye, Solberg, Ryan, and Hacker voted yes.

The second item the audit committee discussed was anonymous complaints made at Mayville State University (MaSU) and MaSU President Van Horn. The Board expressed that the committee and now the full Board has heard, investigated, and addressed, as much as they can when the complainant(s) remain anonymous. The Board fully supports President Van Horn, along with all NDUS institutional Presidents. The NDUS Compliance department has been instructed to not continue any additional review and/or work on anonymous complaints of the same matter against MaSU and President Van Horn.

23. SBHE Budget and Finance Committee presented by Mr. Tim Mihalick.

24. SBHE Academic and Student Affairs Committee presented by Dr. Jill Louters.

25. **UND Issuance of UND Alumni Association and Foundation (UNDAAF)**

Mihalick moved, Ryan seconded, to approve UND adoption of the resolution approving: 1) the issuance of UND Alumni Association and Foundation [\(UNDAAF\) Lease Revenue Refunding Bonds, Series 2021](#) in an amount not exceeding \$1,645,484 for the purpose of refinancing UNDAAF's outstanding Lease Revenue Refunding Bonds, Series 2018, maturing on May 1, 2028; and 2) an amendment to the lease agreement between the UNDAAF and the University of North Dakota (UND) for the continued leasing of the UND School of Medicine Family Practice Center in Minot, N.D.

Mihalick, Neset, Louters, Bye, Solberg, Ryan, and Hacker voted yes.

26. **MiSU Bond Resolution**

Mr. Eric Olson reviewed the MiSU bond resolution.

Ryan moved, Bye seconded, to approve the MiSU bond resolution.

Solberg, Ryan, Neset, Louters, Bye, Mihalick, and Hacker voted yes.

27. **Chancellor Hagerott's Contract**

Board Chair Hacker reviewed the process and outcomes of Chancellor Hagerott's annual performance and recommends approval [Chancellor Hagerott's Contract](#).

Ryan moved, Louters seconded, to approve the Chancellor's renewal and a 1.5% pay increase.

Mihalick, Neset, Louters, Bye, Solberg, Ryan, and Hacker voted yes.

The Board noted the legislature has approved authority to go into an executive session during the 2022 Chancellor's performance review.

**28. Executive Session – Presidential Contracts (9:22)**

Mihalick moved, Ryan seconded, to enter Executive Session to (1) consider the appointment, re-appointment, renewal contracts, and any new contract terms for Presidents of NDUS institutions and (2) limit the executive session to voting board members, nonvoting advisers, Chancellor, selected NDUS Office Staff, and board counsel.

The legal authority for closing this portion of the meeting is North Dakota Century Code section 15-10-17(1) (a).

Louters, Bye, Warford, Mihalick, Neset, Solberg, Ryan, and Hacker voted yes.

Executive session began at 9:30a.m. CT.

SBHE Members participating:

Mr. Nick Hacker, Chair

Ms. Erica Solberg

Dr. Jill Louters

Ms. Danita Bye

Dr. Elizabeth Legerski, Faculty Adviser

Dr. Casey Ryan, Vice Chair

Ms. Kathleen Neset

Mr. Tim Mihalick

Ms. Retha Mattern, Staff Adviser

Chancellor present: Dr. Mark Hagerott

NDUS Senior Staff Present:

Mr. Tammy Dolan, NDUS

Ms. Terry Meyer, NDUS

Ms. Kristie Hetzler, NDUS

Mr. Jerry Rostad, NDUS

Others Present:

Mr. Eric Olson, AG Office

President Richman, NDSCS (only present during his evaluation 9:35 – 10:15 a.m. CT.)

President Bresciani, NDSU (only present during his evaluation 10:20 a.m. – 12:25 p.m. CT.)

Ryan moved, Mihalick seconded, to adjourn executive session at 3:30 p.m. CT.

Warford, Mihalick, Neset, Louters, Bye, Solberg, Ryan, and Hacker voted yes.

The Board re-convened in open session at 3:30 p.m. CT., to take action regarding the appointment, reappointment, renewal contracts, and any new contract terms for Presidents of NDUS institutions.

Mihalick moved, Bye seconded, to approve the President renewal contracts for the following NDUS Presidents:

- President Darling (Lake Region State College)
- President LaFave (Valley City State University)
- President Shirley (Minot State University)
- President Van Horn (Mayville State University)

And further, to approve salary increases at the rate recommended by the Chancellor.

Neset, Bye, Solberg, Mihalick, Louters, Ryan, and Hacker voted yes.

Bye moved, Louters seconded, to approve the renewal contract for President Richman at the current rate, plus \$100 per month, as approved by the North Dakota Legislative Assembly.

Bye, Solberg, Louters, Ryan, Mihalick, and Hacker voted yes. Neset voted no.

Louters moved, Bye seconded, to approve the Chancellor's recommended salary increases for the following Presidents:

- President Armacost (University of North Dakota)
- President Jensen (Bismarck State College)
- President Easton (Dickinson State University)

Ryan moved, Louters seconded, to approve the term sheet set forth by the State Board of Higher Education for President Dean Bresciani, with a signature deadline of noon on June 30, 2021, with salary at the rate recommended by the Chancellor.

Neset, Bye, Mihalick, Louters, Ryan, and Hacker voted yes. Solberg voted no.

Chair Hacker stated the ND State Board of Higher Education would like to offer our extreme gratitude for the 12 years of service President Bresciani has given to North Dakota State University. He has provided leadership in stabilizing NDSU's financial picture and he has led the effort in record fundraising. Student engagement has been priority for the campus during his tenure as well as deep business and industry partnerships. Dr. Bresciani has had involvement with extensive new construction and renovations without incurring any debt.

President Bresciani will continue to serve as NDSU's President, upon completion of his presidential duties he will transition to a tenured, full and distinguished professorship in Human Sciences and Education at NDSU. NDSU has been fortunate to have Dr. Bresciani at the helm and we wish him and his family the best in his future endeavors.

29. **Policy 407.0, Reverse Transfer**

Ms. Lisa Johnson reviewed amendments to Policy 407.0.

Louters moved, Solberg seconded, to approve 1<sup>st</sup> reading, waive 2<sup>nd</sup> reading, and final adoption of [Policy 407.0](#).

Mihalick, Neset, Louters, Bye, Solberg, Ryan, and Hacker voted yes.

Ms. Johnson reviewed the following policies as second readings and final adoption, items 30 – 35:

30. **2<sup>nd</sup> Reading, Policy 401.1, Academic Freedom**
31. **2<sup>nd</sup> Reading, Policy 503.1, Student Free Speech**
32. **2<sup>nd</sup> Reading, Policy 503.3, Student Political Rights**

33. **2<sup>nd</sup> Reading, Policy 520, Title IX**
34. **2<sup>nd</sup> Reading, Policy 308.3, Political Activities**
35. **2<sup>nd</sup> Reading, Policy 508, Student Grant, Scholarship, Loan Repayments**

Louters moved, Solberg seconded, to approve 2<sup>nd</sup> reading and final adoption of policies [401.1](#), [503.1](#), [503.3](#), [520](#), [308.3](#), and [508](#).

Mihalick, Neset, Louters, Bye, Solberg, and Ryan voted yes. (Hacker temporarily unavailable)

36. **1<sup>st</sup> Reading, Waive 2<sup>nd</sup> Reading, and Final Adoption of Policy 302.2.**

Mr. Olson reviewed the amendment to [Policy 302.2](#); he explained the amendment was made after the passage of HB1220, allowing

Mihalick moved, Bye seconded, to approve 1<sup>st</sup> reading, waive 2<sup>nd</sup> reading and final adoption of policy 805.1, tuition and UND's request to offer subscription tuition rate.

Neset, Louters, Solberg, Bye, Mihalick, Ryan, and Hacker voted yes.

Ms. Dolan reviewed proposed [amendments to policy 805.1](#) and [UND'S request to offer a subscription tuition rate](#), which would be allowed if the amendment to policy 805.1 is approved.

37. **1<sup>st</sup> Reading, Waive 2<sup>nd</sup> Reading, and Final Adoption of Policy 805.1, Tuition**

And;

38. **UND Subscription Tuition Rate**

Bye moved, Mihalick seconded, to approve 1<sup>st</sup> reading, waive 2<sup>nd</sup> reading and final adoption of policy 805.1, tuition and UND's request to offer subscription tuition rate.

Bye, Mihalick, Neset, Louters, Solberg, Ryan, and Hacker voted yes.

39. **SBHE Strategic Plan**

[SBHE Strategic Plan](#)

- a) [Policy 100.4](#), Mission and Vision of the North Dakota University System  
[Clean Version 100.4](#)
- b) [Policy 100.5](#), Beliefs and Core Values of the State Board of Higher Education  
[Clean Version 100.5](#)

Mr. Rostad reviewed the status of updates currently recommended approval by the SBHE Research and Governance Committee. He explained that some components are still be worked on and approval will come back for Board consideration in September. Dr. Ryan, Chair of the RGC, indicated the document will be a fluid document and review/work will continue.

40. **UND Housing P3 Project**

President Armacost and Mr. Jed Shivers presented a proposed new housing and agreement:

- a. [Presentation](#)
- b. [Summary/Resolution](#)

Mihalick moved, Neset seconded, to approve the UND housing project resolution.

Louters, Mihalick, Neset, Bye, Solberg, Ryan, and Hacker voted yes.

41. **Open Records / Open Meetings Training / Fiduciary Training**

Mr. Eric Olson presented open Records / open Meetings Training / fiduciary Training.

**42. Chancellor Report**

Chancellor Hagerott gave a brief update on the status of system/Chancellor's Cabinet initiatives.

**Other Reports:**

43. NDSA provided by Ms. Erica Solberg.

44. CCF provided by Dr. Elizabeth Legerski.

45. Staff Senate provided by Ms. Retha Mattern.

46. Public Comment – no public comment.

**47. Present Recognition Plaques**

Chair Hacker presented recognition plaques to outgoing Board members:

- Board Member, Ms. Kathleen Neset
- Student Board Member, Ms. Erica Solberg
- Vice Chancellor, Ms. Tammy Dolan
- WSC President, Dr. John Miller

**48. Assessment of Meeting and Future Agenda Items**

**49. Motion to Adjourn**

Mihalick moved, Ryan seconded, to adjourn at 4:25 p.m. CT.

Bye, Mihalick, Neset, Louters, Solberg, Ryan, and Hacker voted yes.

Approved September 30, 2021.