

**North Dakota State Board of Higher Education**

April 25, 2019, Meeting Minutes

The State Board of Higher Education met on Thursday, April 25<sup>th</sup> at 9:00 a.m. CT., via conference call originating from the State Capitol, 10<sup>th</sup> floor, NDUS Chancellor's office, 600 E. Blvd. Ave., Bismarck, ND 58505.

Chair Morton called the meeting to order at 9:00 a.m. CT.

SBHE Members participating:

Mr. Don Morton, Chair  
Dr. Casey Ryan  
Mr. Dan Traynor  
Mr. Tim Mihalick  
Mr. Andy Wakeford, Staff Adviser

Mr. Nick Hacker, Vice Chair  
Ms. Ashley Thornton  
Ms. Jill Louters  
Ms. Kathleen Neset  
Dr. Birgit Pruess, Faculty Adviser

Chancellor present: Dr. Mark Hagerott

Institution Representatives Present:

Dr. Doug Darling, President, LRSC  
Dr. Jerry Migler, Dean, DCB  
Dr. Tom Mitzel, President, DSU  
Dr. Brian Van Horn, President, MaSU  
Dr. Larry C. Skogen, President, BSC  
Dr. Alan LaFave, President, VCSU  
Dr. Steve Shirley, President, MiSU  
Mr. Jed Shivers, UND  
Ms. Karla Stewart, UND  
Dr. John Miller, President, WSC  
Dr. John Richman, President, NDSCS  
Dr. Dean Bresciani, President, NDSU

NDUS Senior Staff Participating:

Ms. Tammy Dolan, VC of Administrative Affairs  
Ms. Lisa Johnson, VC of Academic and Student Affairs  
Mr. Phil Wisecup, VC Strategic Engagement  
Mr. Darin King, VC of IT/CIO  
Ms. Billie Jo Lorus, Director of Communications and Media Relations  
Ms. Kristie Hetzler, Executive Assistant to the State Board of Higher Education  
Ms. Terry Meyer, Deputy Chief of Staff  
Ms. Robin Putnam, Director of Financial Reporting  
Ms. Laura Schratt, Chief Audit Executive  
Ms. Karol Riedman, Compliance Officer

Others Participating:

Mr. Eric Olson, Attorney General's Office  
Mr. Jared Melville, NDSA  
Ms. Retha Mattern, Staff Senate  
Dr. Debora Dragseth, CCF

1. **Agenda**

Ryan moved to remove item seven from the consent agenda.

Ryan moved, Thornton seconded, to approve the agenda as amended.

Neset, Hacker, Louters, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

**Board Consent** (items 2 – 6)

Ryan moved, Louters seconded, to approve the consent agenda as amended, items 2-6.

Louters, Neset, Hacker, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

2. [March 28, 2019](#), Meeting Minutes

3. [Tenure](#)

4. [UND](#) – Organizational Change(s) - Establish a new department of Institute for Energy Studies (IES)

5. [WSC Request](#) for execution and delivery of a construction/maintenance project agreement and lease purchase agreement.

6. [DSU Request to sell the Arts Building](#)

**Board Action/Policy**

7. [Chancellor Evaluation Process](#)

Ryan moved, Thornton seconded, to approve the Chancellor's evaluation process with an amendment to include non-voting SBHE member's during the survey process.

Hacker, Louters, Neset, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

8. [SBARE Appointment](#)

Chancellor Hagerott recommended re-appointing Dean Wehri to a second, four-year term on the State Board of Agricultural Research and Education beginning July 1, 2019, representing southwestern North Dakota.

Traynor moved, Ryan seconded, to approve re-appointment of Dean Wehri.

Thornton, Neset, Hacker, Louters, Mihalick, Traynor, Ryan, and Morton voted yes.

9. **1<sup>st</sup> Reading, Policy 406.1 Academic Calendars**

Ms. Johnson reviewed amendments to policy 406.1

Louters moved, Thornton seconded, to approve 1<sup>st</sup> reading of [policy 406.1](#).

Louters, Neset, Hacker, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

10. **1<sup>st</sup> Reading, Policy 1203.1 Digital Accessibility**

Dr. King reviewed amendments to [policy 1203.1](#).

Ryan moved, Mihalick seconded, to approve 1<sup>st</sup> reading of policy 1203.1.

Hacker, Louters, Neset, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

**11. 1<sup>st</sup> Reading, Policy 802.7 Identity Theft Prevention**

Mr. Putnam reviewed amendments to [policy 802.7](#).

Ryan moved, Mihalick seconded, to approve 1<sup>st</sup> reading of policy 802.7.

Thornton, Hacker, Louters, Neset Mihalick, Traynor, Ryan, and Morton voted yes.

**12. 1<sup>st</sup> Reading, Policy 340.2 Nonprofit Affiliates**

Ms. Putnam reviewed amendments to [policy 340.2](#).

Louters moved, Ryan seconded, to approve 1<sup>st</sup> reading of policy 340.2.

Neset, Hacker, Louters, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

**13. 1<sup>st</sup> Reading, Policy 306.1 Compliance Charter**

Ms. Riedman reviewed amendments to [policy 306.1](#).

Louters moved, Ryan seconded, to approve 1<sup>st</sup> reading of policy 306.1.

Mihalick, Traynor, Louters, Neset, Hacker, Thornton, Ryan, and Morton voted yes.

**14. 1<sup>st</sup> Reading, Policy 306.2 Internal Audit Charter**

Ms. Schrott reviewed amendments to [policy 306.2](#).

Neset moved, Ryan seconded, to approve 1<sup>st</sup> reading of policy 306.2.

Mihalick, Louters, Neset, Hacker, Thornton, Traynor, Ryan, and Morton voted yes.

**15. 1<sup>st</sup> Reading, Policy 305.1 College and University Presidents' Authority and Responsibilities**

Ms. Riedman reviewed amendments to [policy 305.1](#). The Board discussed the policy addition of complying with the rules of the athletic association(s) to which the institution belongs.

Ryan moved, Mihalick seconded, to approve 1<sup>st</sup> reading of policy 305.1.

Mihalick, Louters, Neset, Hacker, Thornton, Traynor, Ryan, and Morton voted yes.

**16. 2<sup>st</sup> Reading, Policy 100.1 (formerly 100.01) Constitutional and Statutory Authority**

Mr. Olson reviewed amendments to [policy 100.1](#).

Ryan moved, Hacker seconded, to approve 2<sup>nd</sup> reading of policy 100.1.

Louters, Neset, Hacker, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

**17. 2<sup>nd</sup> Reading, Policy 100.7 Institution Mission Statements**

Mr. Olson reviewed amendments to [policy 100.7](#).

Louters moved, Mihalick seconded, to approve 2<sup>nd</sup> reading of policy 100.7.

Thornton, Louters, Neseť, Hacker, Mihalick, Traynor, Ryan, and Morton voted yes.

18. **2<sup>nd</sup> Reading, Policy 310.1 Board President and Member Responsibilities**

Mr. Olson reviewed amendments to [policy 310.1](#)

AND

19. **2<sup>nd</sup> Reading, Policy 310.2 Board Officers; Elections**

Mr. Olson reviewed amendments to [policy 310.2](#). Board members discussed challenges with limitations to speak to the public as an individual Board members, speaking publically on specific topics that have not been discussed and/or voted on by the full Board, reasons for the importance of having the Board Chair as the designated spokesperson, and making disclaimers when speaking as an individual Board member vs. for the Board as a whole.

Traynor moved, Ryan seconded, to approve 2<sup>nd</sup> reading of policies 310.1 and 310.2.

Thornton, Louters, Neseť, Hacker, Mihalick, Traynor, Ryan, and Morton voted yes.

20. **2<sup>nd</sup> Reading, Policy 308.2 Reprisal or Retaliation for Employee Reports Prohibited**

Ms. Riedman reviewed amendments to [policy 308.2](#).

Traynor moved, Thornton seconded, to approve 2<sup>nd</sup> reading of policy 308.2.

Traynor, Thornton, Louters, Neseť, Hacker, Mihalick, Ryan, and Morton voted yes.

21. **2<sup>nd</sup> Reading, Policy 308.1 Officer and Employee Code of Conduct**

Ms. Riedman reviewed amendments to [policy 308.1](#).

Traynor moved, Ryan seconded, to approve 2<sup>nd</sup> reading of policy 308.1

Louters, Neseť, Hacker, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

22. **2<sup>nd</sup> Reading, Policy 611.10 Employee Responsibility and Activities Theft, Fraud, Abuse and Waste**

Mr. Olson reviewed amendments to [policy 611.10](#). Ms. Riedman provided the [link](#) to the NDUS website where fraud can be reported.

Traynor moved, Mihalick seconded, to approve 2<sup>nd</sup> reading of policy 611.10.

Hacker, Thornton, Mihalick, Louters, Neseť, Traynor, Ryan, and Morton voted yes.

23. **2<sup>nd</sup> Reading, Policy 302.9 Faculty and Staff Advisors**

Mr. Olson reviewed amendments to [policy 302.9](#).

Ryan moved, Thornton seconded, to approve 2<sup>nd</sup> reading of policy 302.9.

Thornton, Louters, Neseť, Hacker, Mihalick, Traynor, Ryan, and Morton voted yes.

24. **2<sup>nd</sup> Reading, Policy 304.1 - Chancellor/Commissioner of Higher Education Authority and Responsibilities; Contract Term**

Mr. Olson reviewed amendments to [policy 304.1](#). He noted the addition to the policy is in paragraph 5, to include the Chancellor to communicate any opposing views by institutional tier(s).

Hacker moved, Ryan seconded, to approve 2<sup>nd</sup> reading of policy 304.1.

Louters, Neseť, Hacker, Thornton, Mihalick, Traynor, Ryan, and Morton voted yes.

25. **2<sup>nd</sup> Reading, Policy 603.1 Harassment and Discrimination**

Mr. Olson reviewed amendments to [policy 603.1](#).

Hacker moved, Ryan seconded, to approve 2<sup>nd</sup> reading of policy 603.1.

Mihalick, Louters, Neseť, Hacker, Thornton, Traynor, Ryan, and Morton voted yes.

26. [UND Helicopter Lease](#)

Mr. Shivers explained the lease-purchase agreements for UND's purchase of two Robinson helicopters are permissible under existing SBHE leasing policies, but would violate the provision of NDUS Procedure 803.1, which forbids agreements which exceed 10 total years (which includes the supplements and the underlying master governmental lease-purchase agreement). UND has purchased a number of aircraft utilizing the Wells Fargo master governmental lease-purchase agreement. These and future aircraft/helicopters are required for UND Aerospace to fulfill student flight training degree requirements.

Traynor moved, Hacker seconded, to authorize the chancellor and the University of North Dakota John D. Odegard School of Aerospace Sciences (UND Aerospace) under the 2011 master governmental lease-purchase agreement (No. 337298) between the SBHE and Wells Fargo to authorize UND Aerospace to purchase two helicopters (US registration numbers NN344Y and N683R) for their flight training programs.

Hacker, Mihalick, Louters, Neseť, Thornton, Traynor, Ryan, and Morton voted yes.

**Board Reports/Discussion**

27. SBHE Audit Committee Report

Ms. Neseť provided a report from the April 16<sup>th</sup> Committee meeting.

28. SBHE Governance Report

Dr. Ryan provided a report from the April 24<sup>th</sup> Committee meeting.

29. SBHE Academic and Student Affairs

Ms. Louters provided a report from the April 16<sup>th</sup> Committee meeting.

30. Process for Nomination of Board Officers

Mr. Olson explained the process for Board officer nominations. Nominations will take place at the May 30<sup>th</sup> meeting, it is a one-year term and become effective on July 1, 2019 through July 1, 2020.

**Chancellor Report**

31. [Legislative Report](#)

Ms. Dolan provided an overview on current legislation and indicated a final report will be given at the May 30<sup>th</sup> meeting.

The Board discussed the need to get the biennial budget guidelines approved as soon as possible so campuses can move forward in their budget planning process. The Budget and Finance Committee meets May 14<sup>th</sup> and will consider the guidelines. The Board discussed delegating full authority to the BFC to approve the guidelines. An earlier approval will assist the campuses in their timeline to complete their budgets. Legal counsel advised the Board they could vote on granting BFC full authority to approve the guidelines; however, making the motion contingent on his confirmation that they legal authority to do so.

Ryan moved, Neset seconded, to delegate the Budget and Finance Committee authority to approve the biennial budget guidelines, contingent on having the legal authority to do so.

Hacker, Mihalick, Neset, Thornton, Traynor, Ryan, and Morton voted yes. Louters inaudible.

32. Presidential Evaluations

Mr. Wisecup reviewed the process and timeline for the two and four year presidential evaluations.

33. SBHE Retreat Planning

Mr. Wisecup explained the logistics and indicated the Board will be presented Envision study/reports by UND, NDSU, and DSU. He indicated institution Presidents will be attending the retreat and participate in the strategic planning process.

**Other Reports:**

34. NDSA

Mr. Melville provided an update from the NDSA. They will be electing new NDSA officers and taking nominees for the new SBHE student member to forward to the Governor's office for consider.

35. CCF

Dr. Pruess provided an update from the CCF. She indicated Dr. Dragseth will be presenting the CCF assessment of the

36. Staff Senate

Mr. Wakeford provided an update from the staff senate.

**Public Comment** – no public comment.

**Assessment of Meeting and Future Agenda Items**

The meeting adjourned at 11:35 a.m. CT.

Approved May 30, 2019.