

**North Dakota Board of Higher Education**  
December 3, 2019, Meeting Minutes

The State Board of Higher Education met on Tuesday, December 3, 2019, at 8:30 a.m. CT., at University of North Dakota, Energy & Environmental Research Center, East Half of Discovery Hall, 15 North 23<sup>rd</sup> Street, Grand Forks, ND 58203.

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
Mr. Kaleb Dschaak	Mr. Tim Mihalick
Ms. Kathleen Neseť	Mr. Dan Traynor
Ms. Jill Louters	Mr. Don Morton
Dr. Debora Dragseth, Faculty Adviser	Ms. Retha Mattern, Staff Adviser

Chancellor present: Dr. Mark Hagerott

Institution Representatives Present:

Dr. Brian Van Horn, President, MaSU  
Dr. Alan LaFave, President, VCSU  
Dr. Steve Shirley, President, MiSU  
Dr. John Miller, President, WSC  
Mr. Jerry Migler, Dean, DCB (pm/regular SBHE business)  
Dr. Doug Darling, President, LRSC  
Dr. John Richman, President, NDSCS  
Dr. Dean Bresciani, President, NDSU

NDUS Senior Staff Participating:

Ms. Lisa Johnson, VC of Academic and Student Affairs  
Mr. David Krebsbach, Director of Finance  
Mr. Phil Wisecup, VC Strategic Engagement  
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, Chief of Staff  
Mr. Rick Tonder, NDUS (pm/regular SBHE business)  
Ms. Jane Grinde, NDUS (pm/regular SBHE business)  
Mr. Christopher Erickson, Public Affairs Manager

Others Participating:

Mr. Eric Olson, Attorney General's Office  
Dr. Kenneth Hellevang, CCF

1. **Agenda**

Louters moved, Morton seconded, to approve the agenda.

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

Chair Hacker gave opening comments and UND Presidential search Co-Chairs, Dr. Ryan and Dr. Elbert gave a brief on the search process, final candidates, and today's interviews.

The Board interviewed the following candidates for the UND Presidency:

- [Dr. Andrew Armacost](#)
- [Dr. David Rosowsky](#)
- [Dr. Laurie Stenberg Nichols](#)

## 2. **Executive Session regarding UND Presidential Search**

Traynor moved at 12:11, Dschaak seconded, to commence Executive Session at approximately 12:30 to (1) consider the appointment of, and contract terms for, the next President of University of North Dakota; (2) to discuss negotiating strategy and provide negotiating instructions to its counsel and/or negotiators related to the same; and (3) limit the executive session to voting board members, nonvoting advisors, the chancellor, invited NDUSO staff, board counsel, the co-chairs of the presidential search committee, and AGB Search representatives.

The legal authority for closing this portion of the meeting is North Dakota Century Code sections 15-10-17(1)(a), 44-04-19.1(9) and 44-04-19.2.

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

Executive session began at 12:47 p.m. CT.

SBHE Members participating:

Mr. Nick Hacker, Chair	Dr. Casey Ryan, Vice Chair
Mr. Kaleb Dschaak	Mr. Tim Mihalick
Ms. Kathleen Neset	Mr. Dan Traynor
Ms. Jill Louters	Mr. Don Morton
Dr. Debora Dragseth, Faculty Adviser	Ms. Retha Mattern, Staff Adviser

Others Participating:

Dr. Denny Elbert, UND Presidential Search Committee Co-chair  
Mr. Jim McCormick, AGB  
Ms. Janice Fitzsimmons, AGB  
Chancellor Hagerott, NDUS  
Ms. Kristie Hetzler, NDUS  
Ms. Terry Meyer, NDUS  
Mr. Eric Olson, Attorney General's Office

Executive session adjourned at 1:57 p.m. CT.

## 3. **Reconvene Open Meeting** (2:05 p.m. CT.)

Neset moved, Morton seconded, to appoint [Dr. Andrew Armacost](#) as the next University of North Dakota President, with a start date as soon as possible, and based on negotiations by Chair Hacker, Legal Council, Chancellor Hagerott, and Dr. Armacost.

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

Traynor moved, Morton seconded, to grant Dr. Armacost tenure.

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

Chair Hacker, Chancellor Hagerott, and Mr. Eric Olson temporarily left regular meeting to negotiate contract terms with Dr. Armacost.

Morton departed remainder of SBHE meeting.

**Board Consent** (items 4 – 11)

Traynor moved, Mihalick seconded, to approve the following consent items, 4 – 11:

4. September 26, 2019, Meeting Minutes
  5. October 24, 2019, Meeting Minutes
  6. November 14, 2019, Special Meeting Minutes
- SBHE Budget and Finance Committee:
7. [2020-21 Room, Board and Fee Guidelines](#)
  8. VCSU Ratification of Chancellor's interim approval for [VCSU to transfer](#) \$1,125,773 from the Operations line to the:
    - Capital Assets line in the amount of \$816,636 for extraordinary repairs, and,
    - Capital Building Fund line in the amount of \$309,137 for extraordinary repair projects.
  9. VCSU the Issuance of not to exceed \$22,500,000 State Board of Higher Education of the State of North Dakota, Valley City State University, [Facilities Revenue Bonds, Series 2020](#), adopted on December 3, 2019, by the Board.
  10. VCSU Issuance of not to exceed \$3,200,000 State Board of Higher Education of the State of North Dakota, Valley City State University, Housing and Auxiliary Facilities Refunding [Revenue Bonds, Series 2019](#), and Authorizing the Execution of a Series Resolution and Related Documents, adopted on December 3, 2019, by the SBHE.
- SBHE Academic and Student Affairs
11. State Authorization – [Columbia College at MAFB](#)

Neset, Dschaak, Ryan, Mihalick, Traynor, and Louters voted yes.

**12. Policy 508 Student Grant, Scholarship, Loan Repayment and Exchange Programs**

The following policies (a – e) are deleted and/or some components incorporated into policy 508:

- a) Policy 508.1 – STEM Occupations SLP/TSLFP
- b) Policy 508.2 – ND Academic/Career/Technical Education Scholarships
- c) Policy 508.3 – Skilled Workforce Scholarship & Student Loan Repayment
- d) Policy 509 – Professional Student Exchange Programs
- e) Policy 1913 – Tribal College Assistance Grants

Ms. Brenda Zastoupil reviewed proposed amendments to [policies 508, 508.1, 508.2, 508.3, 509, and 1913](#).

Traynor moved, Dschaak seconded, to approve 1<sup>st</sup> reading of policies 508, 508.1, 508.2, 508.3, 509, and 1913.

Louters, Dschaak, Neset, Mihalick, Traynor, and Ryan voted yes.

Ms. Robin Putnam reviewed proposed amendments to [policy 804, policy 804.1, and policy 909](#) (items 13 – 15):

**13. Policy 804 Equipment and Personal Property Leases**

**14. Policy 804.1 Tax Exempt Bond Issues and Lease Purchase Financing**

**15. Policy 909 Real Property Leases**

Traynor moved, Mihalick seconded, to approve 1<sup>st</sup> reading of policies 804, 804.1, and 909.

Ryan, Neseť, Dschaak, Mihalick, Traynor, and Louters voted yes.

**16. Policy 908 Financing Through Revenue Bonds**

Mr. Rick Tonder reviewed proposed amendments to [policy 908](#).

Traynor moved, Dschaak seconded, to approve 1<sup>st</sup> reading of policy 908.

Dschaak, Ryan, Neseť, Mihalick, Traynor, and Louters voted yes.

**17. Policy 703.1 Early Retirement**

Ms. Jane Grinde reviewed proposed amendments to policy [703.1](#).

Traynor moved, Mihalick seconded, to approve 1<sup>st</sup> reading of policy 703.1.

Traynor, Louters, Neseť, Dschaak, Ryan, and Mihalick, voted yes.

**18. Policy 308.3, Political Activities**

Ms. Lisa Johnson reviewed proposed amendments to [policy 308.3](#).

Louters moved, Neseť seconded, to approve 1<sup>st</sup> reading of policy 308.3.

Ryan, Neseť, Dschaak, Mihalick, and Louters voted yes. Traynor abstained.

**19. Policy 607.1 Legal Representation**

Ms. Karol Riedman reviewed proposed amendments to [policy 607.1](#).

Traynor moved, Mihalick seconded, to approve 1<sup>st</sup> reading of policy 607.1.

Ryan, Neseť, Dschaak, Mihalick, Traynor, and Louters voted yes.

**20. 2<sup>nd</sup> Reading, Policy 308.4 Conflict of Interest**

Ms. Karol Riedman reviewed proposed amendments to [policy 308.4](#).

Dschaak moved, Neseť seconded, to approve 2<sup>nd</sup> reading and final adoption of policy 308.4.

Neseť, Dschaak, Louters, Mihalick, and Ryan voted yes. Traynor voted no.

**21. Executive Session regarding NDSU Glenn Hill**

Traynor moved at 2:39, Dschaak seconded, to enter into an executive session when Chair Hacker is available to (1) discuss the A. Glenn Hill Center claim by Roers Construction, Inc. and (2) limit the executive session to voting Board members, nonvoting advisors, Board legal counsel, the Executive Assistant to the Board, the Chancellor and selected NDUS Office Staff, the North Dakota State University President, NDSU legal counsel and selected NDSU selected staff.

The legal authority for closing this portion of the meeting is North Dakota Century Code sections 44-04-19.1(1)-(2), 44-04-19.1 (9), 44-04-19.1(11), and 44-04-19.2(1). The executive

session will commence upon the availability of Chair Hacker, the Chancellor, and legal counsel.

Mihalick, Ryan, Neset, Dschaak, Traynor, and Louters voted yes.

Executive session began at 3:02 p.m. CT.

SBHE Members participating:

Mr. Nick Hacker, Chair	Dr. Casey Ryan, Vice Chair
Mr. Kaleb Dschaak	Mr. Tim Mihalick
Ms. Kathleen Neset	Mr. Dan Traynor
Ms. Jill Louters	Dr. Debora Dragseth, Faculty Adviser
Ms. Retha Mattern, Staff Adviser	

NDUS Senior Staff Participating:

Chancellor Hagerott  
Ms. Kristie Hetzler, Executive Assistant to the State Board of Higher Education  
Ms. Terry Meyer, Chief of Staff

Others Participating:

Mr. Eric Olson, Attorney General's Office  
President Bresciani, NDSU  
Mr. Bruce Bollinger, NDSU  
Mr. Mike Ellingson, NDSU  
Mr. Matt Hammer, NDSU  
Mr. Keith Moheban (litigator representing NDSU in the litigation)

Executive session adjourned at 3:24 p.m. CT.

22. **Reconvene Open Meeting** (3:26 p.m. CT.)

Traynor moved, Ryan seconded, to approve the settlement agreement and release as recommended by legal counsel concerning the lawsuit involving North Dakota State University and Roers Construction LLC. And, further, to approve the payment contemplated therein and any further action that may be taken by NDSU with regards to additional obligations that may be paid by the North Dakota Legislature.

Dschaak, Ryan, Mihalick, Traynor, Louters, and Hacker voted yes. Neset voted no.

SBHE member Traynor recommended the institutions utilize North Dakota law firms in cases where outside counsel is necessary.

**SBHE Committee Reports**

The following reports and updates were provided to the Board:

23. Academic and Student Affairs Committee – Ms. Jill Louters
24. Audit Committee – Ms. Kathleen Neset
25. Budget and Finance Committee – Mr. Tim Mihalick
26. Governance Committee – Mr. Dan Traynor
27. Research Committee – Dr. Casey Ryan
28. Western Interstate Commission for Higher Education (WICHE) Update – Ms. Jill Louters

**Chancellor Report**

## 29. MaSU Presentation on Title III Grant

President Van Horn introduced Ms. Allison Johnson to present [MaSU's Title III grant](#).

Chancellor Hagerott gave a brief update on the following items:

## 30. DSU Update

## 31. Two-year/Polytec Evaluations Report

## 32. NDSCS Action Plan Update

## 33. Legacy Fund Update

**Other Reports**

The following reports were provided to the Board:

## 34. NDSA – Mr. Kaleb Dschaak

## 35. CCF – Dr. Debora Dragseth

## 36. Staff Senate – Ms. Retha Mattern

## 37. Public Comment – None

The meeting adjourned at 4:05 p.m. CT.

Approved January 28, 2020.