

North Dakota Board of Higher Education
January 24, 2019, Meeting Minutes

The State Board of Higher Education met on Thursday, January 24, 2019, at 11:00 a.m. CT. via conference call originating from Bismarck State College, National Energy Center of Excellence, room 335, 1200 Schafer Street, Bismarck, ND 58501.

Chair Morton called the meeting to order at 11:15 a.m. CT.

Members participating:

Mr. Don Morton, Chair	Mr. Nick Hacker, Vice Chair
Dr. Casey Ryan	Ms. Ashley Thornton
Mr. Nick Hacker	Mr. Dan Traynor
Ms. Jill Louters	Dr. Birgit Pruess, Faculty Adviser
Mr. Andy Wakeford, Staff 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. Mark Kennedy, President, UND
Mr. Mike Piepers, UND
Mr. Jed Shivers, UND
Ms. Karla Stewart, UND
Dr. John Miller, President, WSC
Dr. John Richman, President, NDSCS
Dr. Ken Grafton, NDSU
Ms. Laura Geller, MiSU

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. Laura Schratt, Chief Audit Executive
Ms. Karol Riedman, Compliance Officer

Others Participating:

Mr. Chris Pieske, Attorney General's Office
Mr. Eric Olson, Attorney General's Office

Newly nominated SBHE member, waiting confirmation, Mr. Tim Mihalick is also on the call.

Vice Chair Hacker requested removal of item 4, UND's \$80 million capital project from the consent agenda and put as a stand alone item for a first reading.

1. **Agenda and Board Consent** (items 1, 2, 3, 5, and 6)
Louters moved, Ryan seconded, to approve the agenda and the amended consent agenda, removing item 4, UND's \$80 million capital project and place as a stand alone item for a first reading.

Thornton, Nese, Hacker, Traynor, Ryan, Louters, and Morton voted yes.
2. December 6, 2018, Meeting Minutes.
3. SBHE Academic and Student Affairs Committee
Organizational Change
 - a. NDSU-Transition of the Department of Computer Science from College of Science and Mathematics (CSM) to [College of Engineering \(CoE\)](#)
 - b. UND-Move the B.A. in Economics and Minor in Economics from the College of Arts & Sciences to the [College of Business and Public Administration](#)
 - c. UND-Move the B.A. in Computer Science from the College of Arts & Sciences to the [College of Engineering and Mines](#)
- ~~4. SBHE Budget and Finance Committee
Recommend authorization for a [\\$80 million capital project for UND](#) to address deferred maintenance on the university's core campus. The project would be funded with North Dakota Building Authority (NDBA) bonds, which would be paid back with institutional operating funds. Further, authorize the System Office and UND to solicit project approval from the 66th North Dakota Legislative Assembly.~~
5. Recommend approval for [LRSC to transfer of \\$67,707.09](#) from the LRSC operations line to the capital assets line, as authorized in SB2003 (Section 20), for the 2017-19 biennium. LRSC will use these funds for the required match on miscellaneous building repair projects.
6. Recommend authorization for [DSU to sell the Strom Building](#), and request the SBHE to approve the terms of the conveyance.

Board Action Items:

UND Capital Project (formerly #4 from consent)

Nese moved, Hacker seconded, to authorize for a [\\$80 million capital project for UND](#) to address deferred maintenance on the university's core campus. The project would be funded with North Dakota Building Authority (NDBA) bonds, which would be paid back with institutional operating funds. Further, authorize the System Office and UND to solicit project approval from the 66th North Dakota Legislative Assembly.

7. **Ratification of Actions taken at Dec. 17, 2018 Special Meeting Minutes**

Ryan moved, Thornton seconded, to approve that the following actions that were taken at the December 17th special meeting:

- ✓ Granted final approval to UND to rename J. Lloyd Stone House the Dr. Kathleen and Hal Gershman Engagement Center;
- ✓ Rejected UND \$80 million bonding proposal to be funded by dedicated tuition rate increases.

- ✓ Rejected NDSU and NDSCS proposals to amend Policy 805.1 (3).
- ✓ Granted NDSU authorization to deviate, in its discretion, from the tuition model to charge students who are residents of Iowa, Nebraska, Montana, Wyoming, South Dakota, and Colorado to an amount no lower than one hundred percent of the resident tuition rate for a period of two years, at which time NDSU is required to report the fiscal impact of the deviation to the SBHE.
- ✓ Granted NDSCS authorization to deviate, in its discretion, from the tuition model to charge students who are residents of Iowa, Nebraska, Montana, Wyoming, South Dakota, Colorado and the Canadian provinces of Manitoba and Saskatchewan to an amount no lower than one hundred percent of the resident tuition rate for a period of two years, at which time NDSCS is required to report the fiscal impact of the deviation to the SBHE.

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

8. NDSU Ground Lease

Ryan moved, Thornton seconded, to approve ratifying the Chancellor's approval of reassignment of the [NDSU ground lease](#) for the University Towne Center.

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

9. Title IX

Chancellor Hagerott and Mr. Olson gave an update on the status to possible changes to [Title IX](#). At the December 6th SBHE meeting requested the Chancellor to meet with stakeholders to gather input and concerns regarding the proposed changes, to research and discuss what other states, systems, schools, and industry organizations planned to do regarding the NPRM. The Chancellor, system staff, and legal counsel have engaged in extensive discussions with stakeholders, other institutions and states, and industry groups, with the primary responsibility performed by Director of Student Affairs Katie Fitzsimmons and AAG Eric Olson. The group also presented and sought feedback from the Title IX task force, institutions, and the cabinet. After consulting with these groups and stakeholders, draft comments were prepared, which were shared with the cabinet and the Title IX task force for further comment and feedback, which was incorporated into a final draft, which was presented to the cabinet and the SBHE ASAC on January 15, 2019.

Committee members discussed the substance of the comments and whether the comments should be from the SBHE or the system office. Several members of the Cabinet also expressed reservations as to the utility and risks associated with submission of a letter. Given the limited staffing time available during legislative session, Mr. Olson concurred with the Chancellor's recommendation of not submitting a letter on behalf of the SBHE/NDUS, rather informally conveying concerns from the Chancellor to several leading Higher Education organizations for their use. The Board members agreed and no motion necessary at this time. Mr. Olson also clarified that any individual institutions or persons who were interested in submitting comments were free to do so.

Ms. Johnson reviewed proposed amendments to policies 409 and 440:

10. 2nd Reading, Policy 409 Degrees Offered

11. 2nd Reading, Policy 440 Enrollment Reporting

Ryan moved, Hacker seconded, to approve second reading and final adoption of policies [409](#) and [440](#), agenda items 10 and 11.

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

Ms. Johnson reviewed proposed amendments to policies 307.1 and 404.1:

12. **1st Reading, Policy 307.1 Institutional Organization Notice and Approval**

13. **1st Reading, Policy 404.1 Distance Education Program Approval**

Ryan moved, Hacker seconded, to approve first reading of policies [307.1](#) and [404.1](#), agenda items 12 and 13.

Ms. Riedman reviewed policies 331, 340.1, and 350.2. She indicated there were no changes, however, the NDUS has adopted the practice to review policies that were outdated to ensure they were still accurate and appropriate.

14. **Ratify current language in policies 331, 340.1, and 350.2, for final approval**

- a. Policy 331 Approval of College and University Constitutions by the Board
- b. Policy 340.1 State Forester
- c. Policy 350.2 Work Force Training Boards

Traynor moved, Ryan seconded, to ratify policies [331](#), [340.1](#), and [350.2](#), agenda items 14 a-c.

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

Mr. King reviewed proposed amendments to policies 1205.1 and 1206.1.

15. **1st Reading, waive 2nd, for final approval to the following policies:**

- a. 1st Reading, Policy 1205.1 – State Longitudinal Data System
- b. 1st Reading, Policy 1206.1 Data Element Dictionary - Data Quality and Integrity

Louters moved, Ryan seconded, to approve 1st Reading, waive 2nd, for final approval of policies [1205.1](#) and [1206.1](#), agenda items 15 a and b.

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

Ms. Dolan reviewed proposed amendments to the following policies in the 900 series, regarding facilities:

16. **1st Reading, waive 2nd, for final approval to the following 900 (facilities) policies:**

[900 Policies:](#)

Hacker moved, Neseť seconded, to approve 1st Reading, waive 2nd, for final approval of policies a) Policy 901 Campus Planning and Facilities, b) 902.0 Definitions, c) 902.1 Construction Process-Legislative Approval; List of Funding Requests, d) 902.3 Requests for Construction, Renovation & Remodeling; Change Orders; Changes in Project Scope or Size, e) 902.12 Building Names, f) 902.5 Construction Process, g) 903 Sale, Removal, or Alteration of Buildings, agenda items 16 a-g.

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

Ms. Riedman reviewed proposed amendments to policy 1910.2 and indicated she will work with Office of Management and Budget (OMB) for further input, prior to bringing it back for a second read and final adoption.

17. **1st Reading, Policy 1910.2, Use of State Vehicle**

Ryan moved, Neseť seconded, to approve 1st reading of policy [1910.2](#).

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

18. **President Alan LaFave Tenure**

Chancellor Hagerott indicated the SBHE recently approved changes to SBHE Policy 605.1 – Academic Freedom and Tenure; Academic Appointments. The policy now allows the SBHE to award tenure to an institution's current chief executive officer if they held a tenured appointment at another institution.

Ryan moved, Louters seconded, to [award tenure to VCSU President LaFave](#) in the Department of Music.

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

19. **Ratification of President Tom Mitzel, President Brian Van Horn, and President Alan LaFave contracts**

Chancellor Hagerott recommended that Presidents Mitzel and Van Horn's contracts to be revised to change from 'Not Tenured' to 'Tenured'. President Van Horn's contract will also be revised to indicate tenure in the Department of Education and to ratify contracts.

Ryan moved, Louters seconded, to approve [ratification of contracts](#) for President Mitzel, President Van Horn, and President LaFave.

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

20. **Audit Committee Report**

Ms. Neseť reported the Audit Committee is reviewing the current process and procedures for the internal audit function. Any proposed changes will come before the full Board at a future meeting. She also noted the committee still has concerns regarding prior, not implemented audit directives. They have requested a quarterly report be presented to the committee to include those types of outstanding audit. The committee discussed having a few number of internal audits and more follow up.

21. **Governance Committee Report**

Dr. Ryan stated the committee reviewed the results of the Chancellor's Cabinet [survey](#), and were pleased with the outcome and positive feedback. Board members agreed and thanked him for his leadership.

Dr. Ryan reported the committee had a lengthy discussion on the Chancellor's proposal to have the SBHE committees specialize by a [tier committee structure](#). They discussed how each tier of campuses plays a unique role in the state and how there may be benefits to adjusting the SBHE committee structure. It could allow a greater degree of specialization in fact finding/deliberation by SBHE members. The proposal establishes three committees each aligned to one of the three tiers of campuses (community college/polytechnic; regional/dual mission, and research). Members discussed the advantages and possible disadvantages and agreed it warrants more discussion and consideration and to also include the full board in the early stages. He noted committee members requested the Chancellor gather input from his Cabinet and identify urgencies

of the campus needs. The committee will continue discussing, make it a standing agenda item, and keep the full board involved.

22. Legislative Update

Ms. Dolan provided a [legislative update](#). She has been working with campus vice presidents of finance in preparation for the appropriation hearing testimony for the week of January 14. She noted there will be a weekly legislative phone call with Cabinet members to review legislation that may have impacts to the system and/or individual campuses. She reviewed the ND University System Facts and NDUS Biennial Review documents that were included in the agenda materials. Chancellor Hagerott added the Biennial Review captures the SBHE's metrics and dashboards and speaks to Envision aspirations.

23. President Mark Kennedy's Mid-term Update

Chancellor Hagerott stated an update on President Kennedy's mid-term will be provided at the February Board meeting.

24. LUMINA Grant Final Report

Mr. Wisecup reported LUMINA Grant Report will be sent out within the next couple weeks and thanked all for their work, contributions, and oversight to complete it.

25. NDSA Report

Mr. Melville informed the board that NDSA has approved resolutions to pursue a common application for NDUS students, submitting a letter of concern to the Department of Education regarding proposed changes to Title IX, and support the SBHE with a needs based budget for consideration.

26. CCF Report

Dr. Dragseth indicated the CCF identified their top three priorities in regards to the budget request as a four percent salary increase, opposition to further budget cuts, and maintain current benefits package

27. Staff Senate

Mr. Wakeford announced the next SBHE Staff Adviser will be Retha Mattern beginning July 1st.

Public Comment – None

Future Board Meeting: March 27, 2019

The meeting adjourned at 1:15 p.m. CT.

Approved February 26, 2019.