Administrative Affairs Council Minutes
April 7, 2009 – 1:30 p.m.
Conference Call

Participants
Dave Clark – BSC
Alvin Binstock and Mark Lowe – DSU
Corry Kenner – LRSC
Steve Bensen – MaSU
Ron Dorn and Jonelle Watson – MiSU
Jim Borkowski – MiSU-BC
Mike Renk and Keith Johnson – NDSCS
John Adams and Karla Mongeon-Stewart – NDSU
Alice Brekke – UND
Ann Thoreson – VCSU
Brenda Wigness – WSC
Laura Glatt, Cathy McDonald, Darci Trenda and Deanna Dailey – NDUS Office

Red Flag Rules
The Controllers’ Group recommended that a SBHE policy be established requiring each NDUS institution to implement a written identity theft prevention program that complies with Section 114 of the Fair and Accurate Credit Transactions Act of 2003 (FACT) by May 1, 2009. In response to a question raised via e-mail by Randall Thursby regarding a ConnectND data breach, Mr. Lowe said the law only requires that each institution needs to be striving to protect data from identity theft, etc., and the entity managing the active accounts is responsible. He added that these rules are just a starting point – they will need to be reviewed at least annually and can be revised as needed.

The committee’s recommendations, along with a template procedure that can be used by each campus, had been distributed to the Administrative Affairs Councils on February 11, 2009. However, that template has only recently been revised and has been re-distributed to the Controller’s Group.

The Council endorsed the policy draft and related implementation of campus procedures.

Fees Assessed to Dual Credit Students
Ms. Glatt said the Academic Affairs Council had requested the Cabinet consider revising language in NDUS Procedure 402.3.2; however, it was removed from their March 4, 2009, agenda in order to allow the Administrative Affairs Council to review the proposed changes. She said at least one item must be clarified regarding what is meant by “applicable fees” referenced in the policy. Ms. Glatt subsequently asked each campus to provide her with information about the fees assessed to dual enrollment students. The responses were compiled and are outlined in the worksheet distributed with the agenda. According to the survey results, VCSU appears to be the only campus to differentiate fees according to the physical location of where the classes are being taken (on or off campus). Other campuses charge dual credit
students the same fees as are charged to on-campus students, while others charge a lesser fee amount to dual credit students than traditional on-campus students.

Ms. Glatt said fees assessed varied considerably from campus to campus. She indicated the chancellor’s initial suggestion was to identify some consistency across campuses in fees assessed to dual credit students. Ms. Glatt said she is mindful of the differences in how schools would be impacted by any proposed policy change and asked each member for their thoughts regarding the development of a consistent fee application procedure. Ms. Brekke asked if there is a way to distinguish between dual credit and ‘regular’ students in ConnectND for the purpose of assessing differential fees, to which Mr. Borkowski and Mr. Kenner indicated “yes,” by using a location code. Discussion took place regarding the “one-size fits all” solution to a problem that, for some, isn’t a problem at all.

Ms. Glatt asked everyone to consider the matter and be prepared to, as a group, make a recommendation regarding this policy in the future. The Administrative Affairs Council will get more opportunity to weigh in on this prior to Cabinet review and consideration.

Legislation
Ms. Glatt asked the group for any questions or comments on the bill tracking document dated April 3, 2009, which had been distributed with the agenda materials. She added that there is nothing new to report regarding the NDUS appropriation bill and she assumes they will act on the amendments sometime during the week of April 6.

She said the SBHE met yesterday on April 6 and adopted the following resolution regarding the board’s budget request:

> **WHEREAS**, the North Dakota Legislative Council’s 2007-09 Interim Higher Education Committee studied the North Dakota University System, financing of the NDUS and related issues and unanimously adopted recommended goals for legislative consideration, including goals related to accessibility, contribution to economic development, system functioning and affordability; and

> **WHEREAS**, the North Dakota State Board of Higher Education developed its 2009-11 budget request and established its budget priorities consistent with recommended Interim Higher Education Committee goals; and

> **WHEREAS**, the Board’s budget request includes: 1) equity funding, which may be used to support new or expanded programs, address salary inequities, help retain key employees and fund institution priorities in order to respond to the state’s economic and workforce needs; 2) student affordability, with funds to limit tuition increases; 3) additional student financial aid for needs-based and other financial aid programs; and 4) a capital projects priority list related to Board priorities and recommended Interim Higher Education Committee goals; and

> **WHEREAS**, SB 2003 and other appropriations bills the Senate approved include $10 million for institution equity funding, $8.2 million for a student affordability initiative to enable the NDUS to freeze tuition at two-year institutions and limit tuition increases to 4 percent at other institutions during the 2009-11 biennium and increased student financial aid; and
WHEREAS, under the Board’s budget request, approximately $900,000 in NDUS office carryover funds is allocated to student financial aid programs, including the state grant program, North Dakota Scholar’s program and PSEP programs (supporting veterinary medicine, optometry and dental students); and

WHEREAS, the Board continues to support its established budget priorities, including its capital projects priorities, and is opposed to proposed amendments that would eliminate $10 million for institution equity funding and $8.2 million for the student affordability initiative, reduce student financial aid funding to less than the Board’s budget request, and reallocate NDUS office carryover funds.

NOW, THEREFORE, BE IT RESOLVED that the North Dakota State Board of Higher Education reaffirms its support for the Interim Higher Education Committee goals and the Board’s budget request and Board members and NDUS officers shall continue to support and advocate for the Board’s budget and funding priorities.

In addition, specific requests for more technical changes have been asked of legislators. Mr. Clark said that on April 8, the North Dakota Student Association (NDSA) is hosting a legislative luncheon. It was agreed that this would be a good time for students to communicate their feelings regarding the affordability and equity issues.

Ms. Glatt said she does not know who will be chosen to serve on the SB2003 conference committee, as there apparently has been some rumor that it may vary from the traditional three-person appropriations subcommittee that worked on the bill.

Annual Budget Process and Timeline
The annual budget cycle has been revised due to the expected delay in the end of the 2009 Legislative Session. The SBHE had originally planned to set annual budget guidelines, including tuition, at their May 7, 2009, meeting; however, this has been rescheduled for May 14, 2009. As a result, there will be less time from which the board approves the guidelines and when the institutions will have time to make required changes to payroll and finalize budgets, etc. By pushing back the SBHE meeting date, this will also give more time for institutional input regarding any major budget impacts as a result of final legislative appropriations.

Meeting adjourned at 2:38 p.m.

Future Meetings
May 12, 2008
July 21-22, 2008 retreat
September 9, 2008
October 13, 2008
November 10, 2008
December 8, 2008