Commitment to student success guided development of the 2011–12 University System budget approved by the State Board of Higher Education at its May 9, 2011, meeting.

Key components of the budget include:

- A tuition freeze at the community colleges and 2.5 percent tuition increases at the four-year universities with the exception of an 8.8 percent tuition increase at North Dakota State University
- Minimum average campus-wide salary increases of 3 percent
- Campus direction to specifically target investments to improve student retention and graduation rates and to improve adult education access and services
- Program fee changes for the BSC, LRSC, WSC and DCB nursing programs; NDSCS culinary arts and dental assisting; and BSC electronics/telecommunications
- Mandatory fee increases held to less than 1 percent of tuition rates as mandated by SB 2351, except at DSU and WSC
- Pro-rata distribution of a $15.2 million legislative appropriation for a combined equity and student affordability pool based on executive budget request shares

Within the guidelines set by the SBHE, the campuses have the flexibility to allocate resources to address institutional needs and priorities.

**State Board of Higher Education Elects 2011-12 Officers**

Grant Shaft was elected 2011–12 president of the State Board of Higher Education, and Duaine Espegard was elected vice president at a May 9, 2011, board meeting at Bismarck State College.

Shaft was the SBHE’s 2010–11 vice president. He is a partner in the Grand Forks, N.D., law firm of Shaft, Reis and Shaft, Ltd.

Shaft was a member of the House of Representatives from 1986 to 1990. He was appointed to the SBHE in 2007 and reappointed to a second term, which will run through June 30, 2015.

Espegard, Grand Forks, N.D., is a retired bank administrator and former state senator. He worked for Bremer Financial as a bank director, chief executive officer and regional president from 1969 to 2003 and served in the North Dakota Senate from 2000 to 2006.

First appointed to the board in 2007, Espegard’s second term expires June 30, 2014.

Both terms as SBHE officers will run through June 30, 2012.
The Role of the SBHE

The State Board of Higher Education is the governing board of the North Dakota University System.

Our Vision

Leading the nation in educational attainment through access, innovation and excellence

Our Mission

The mission of the North Dakota University System is to enhance the quality of life of all those we serve and the economic and social vitality of North Dakota through the discovery, sharing and application of knowledge.

SBHE Update

The SBHE Update is created to increase awareness of the role of the State Board of Higher Education and the North Dakota University System and to ensure the system remains connected to, understood by and accountable to the citizens and needs of the state of North Dakota.

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SBHE Member and Advisors Named

Robert Vallie has been appointed the 2011–12 student member of the State Board of Higher Education by Gov. Jack Dalrymple and will serve a one-year term ending June 30, 2012.

A native of Christine, N.D., Vallie is a senior majoring in social science education and political science at North Dakota State University. As a student senator, he has served as an executive commissioner for governmental relations and intercollegiate affairs and on a number of committees. He was NDSU’s student body legislative representative during the 2011 Legislative Session.

Janice Hoffarth was selected to be the 2011–12 staff advisor to the SBHE by the North Dakota University System Staff Senate and will serve through June 30, 2012.

An administrative assistant in the University of North Dakota Department of Music, Hoffarth is the first University System employee to serve in this position, which was created with the passage of HB 1213 by the 2011 Legislative Assembly.

A native of Esmond, N.D., she was one of six statewide winners of the 2010 Governor's Award for Excellence in Public Service. She was the 2008 -09 UND Staff Senate president and was elected the first president of the University System Staff Senate.

John P. Girard, Ph.D., was named the 2011–12 faculty advisor to the SBHE by the Council of College Faculties. His second one-year term expires June 30, 2012.

A tenured professor at Minot State University, Girard teaches graduate and undergraduate management courses. His research interests include knowledge management, social media, virtual business and online education. Girard is co-founder and chief knowledge strategist for Sagology, a firm dedicated to facilitating collaboration, learning and knowledge sharing.

Fighting Sioux Logo and Nickname Licensing Continues

The University of North Dakota will continue licensing Fighting Sioux nickname and logo merchandise until current law is changed or ruled invalid, according to a decision made by Bill Goetz, University System chancellor, and ratified by the State Board of Higher Education at its May 9, 2011, meeting.

Actions halting retirement of the Fighting Sioux nickname result from the passage of HB 1263, which prohibits its discontinuance, during the 2011 Legislative Session.
The 10 North Dakota University System college and university presidents’ 2011–12 objectives are consistent with the State Board of Higher Education’s 2009–13 Strategic Plan, Chancellor Bill Goetz told SBHE members at June 16, 2011, board meeting. President Jon Backes said the chancellor’s objectives also are consistent with the plan.

The presidents’ and chancellor’s contracts and salaries were approved at the June 16 meeting. Salary increases ranged from 2 to 6 percent. Salary recommendations were based on a number of factors, including overall performance and salary ranges established by the SBHE Compensation Committee. These ranges incorporate comparisons to national peer institutions.

The 2011–12 North Dakota University System Office budget was approved at the June 16, 2011, meeting.

A plan to absorb the legislatively mandated biennial state general fund reduction of $776,862 was presented. Reductions will be made in several areas, including subscriptions, memberships, printing, IT and surveys. Board members discussed the importance of not passing costs on to the campuses through mandates, as a result of these reductions. Duaine Espegard, chair of the Budget, Audit and Finance Committee, who reviewed the proposal in detail, said that, while some surveys would be eliminated, the intent is to continue to track and report on student performance and progress on the SBHE Strategic Plan.

The overall average 2011–12 salary increase in the NDUS Office will be 2.75 percent. The board approved this exception to its annual salary guidelines, which require an overall minimum average salary increase of 3 percent.

SBHE Approves Compensation Committee Report

Recommendations of the SBHE Compensation Committee were adopted as presented by Duaine Espegard, committee chair, at the May 9, 2011, board meeting. Board actions include:

- Introduction and final adoption of Policy 705.1 – Executive Compensation
- Introduction and final adoption of Policy 302.8 – Compensation Committee
- Approval of compensation plans for campus presidents and the executive dean at Dakota College at Bottineau and the University System chancellor, vice chancellors, CIO and general counsel
- Approval of discontinuation of the use of contracts at the expiration of current terms for the positions of University System vice chancellors, CIO, general counsel, assistant general counsel and director of internal audit and risk management

SBHE Approves Chancellor’s and Presidents’ Objectives, Contracts and Salaries

Chancellor Goetz Announces Retirement

Bill Goetz, chancellor of the North Dakota University System, announced his upcoming retirement June 14, 2011, with a planned exit date of Aug. 1, 2012.

Prior to joining the University System in July 2007, Goetz served for 10 years as chief of staff for the North Dakota Office of the Governor under governors John Hoeven and Ed Schafer. During a 30-year career at Dickinson (N.D.) State University, he served as executive vice president of the DSU Foundation, chief academic officer in the School of Business, director of continuing education and as an associate professor. Also an experienced state legislator, Goetz served eight years in the North Dakota Senate and 12 years in the North Dakota House.

Among key accomplishments of his term as chancellor, Goetz cites significant progress in the areas of:

- Changing the public perception of community colleges
- University System collaboration
- Emphasis on affordability
- Strategic planning
- Partnering with state agencies
- Establishing closer connections with the tribal colleges
- Expanding educational opportunities for adults through the Adult Education Council
- Working to strengthen relationships with the legislature and the public
University System Advancing State’s Agenda

North Dakota University System colleges and universities provide multiple benefits to the state’s economy and the lives of North Dakotans, as evidenced by reports provided at the June 16, 2011, State Board of Higher Education meeting.

“North Dakotans recognize that our campuses are committed to student achievement and to helping create student success,” said Bill Goetz, chancellor. “But, clearly, our influence and impact are even broader. The University System’s response to the state’s challenges, opportunities and need for policy development have statewide impact.”

Brief summaries of four special reports provided to the board follow.

UND School of Medicine and Health Sciences Advisory Committee: North Dakota faces a serious healthcare workforce shortage, according to an annual report provided by Dr. Joshua Wynne, University of North Dakota vice president for health affairs and dean of the UND School of Medicine and Health Sciences. Healthcare workforce challenges include both the number of physicians practicing in the state and the availability of physicians in rural North Dakota. Wynne also discussed the healthcare impacts of lifestyle choices and the disease burdens of an aging state population.

Workforce Training Business Plan: TrainND, North Dakota’s workforce training system, continues to develop curriculum and training to meet the needs of the state’s growth industries, such as healthcare and energy, according to the annual plan presented by Marsha Krotseng, Ed.D., NDUS vice chancellor for strategic planning and executive director of the College Technical Education Council. North Dakota’s globally competitive business climate continues to thrive despite challenges such as housing shortages, infrastructure needs and national policy changes. The four regional quadrants of the TrainND system are evolving to meet market demands.

State Board of Agriculture Research and Extension: Innovative stewardship of the land and livestock guides the work of SBARE, according to an annual report presented by Rodney Howe, SBARE president, and D.C. Coston, Ph.D., North Dakota State University vice president for agriculture and university extension. Howe and Coston discussed several topics, such as the importance of crop varieties developed at NDSU to North Dakota’s agriculture industry, future uses of agricultural byproducts and the impact of NDSU Agriculture and Extension Services on the daily lives of North Dakotans.

Carnegie Research Classifications: North Dakota enjoys a 7:1 return on its investment in research conducted at UND and NDSU, according to a report presented by Robert Kelley, Ph.D., UND president, and Dean Bresciani, Ph.D., NDSU president. Kelley and Bresciani discussed the tremendous impact of campus research on specific sectors of North Dakota’s economy as well as opportunities for additional collaboration among the two research universities and other colleges and universities in the North Dakota University System.
Partnering to Improve Retention

Here in North Dakota – as well as nationwide – one of the biggest challenges facing higher education is the retention of students between the freshman and sophomore years of college. On May 19 and 20, 2011, the University System hosted a retention summit for 160 officials from the 11 system campuses and North Dakota tribal colleges. Led by nationally known retention expert Dr. Vincent Tinto, Syracuse University, the event culminated in the development of campus plans to address key retention challenges. The summit was an important step toward improving student success. At right, Dr. Vincent Tinto works with NDUS Retention Summit participants.

SBHE and NDUS Achieving Strategic Plan Goals

Significant progress has been made toward accomplishing the goals of the State Board of Higher Education’s 2009–13 strategic plan, according to a discussion of the plan at the May 9 and 10, 2011, SBHE retreat at Medora, N.D.

In addition to the status update discussed by the board at the retreat, Chancellor Bill Goetz presented a summary of actions taken to achieve the strategic plan goals at the June SBHE meeting. Crediting the University System Office staff, as well as campus presidents and officials, Goetz provided a list of key 2010-11 accomplishments. This report is available on the NDUS website at: http://ndus.edu/uploads/resources/2154/higher-ed-in-nd-today-6-11.pdf

Budget, Audit and Finance Committee Recommendations Approved

The following Budget, Audit and Finance Committee recommendations were approved by the State Board of Higher Education at the May and June 2011 meeting:

May
• State Grant program recommendations
• 2011-12 annual budget guidelines including tuition rates and fees
• SBHE FY2012 budget

June
• NDUS 2011-12 office budget
• $75,000 to NDSU and $75,000 to UND for educational leadership programs
• Graduate credit tuition rates for DSU and MaSU

Board Policy Manual Revisions Approved

Policy manual revisions adopted at the May and June 2011 State Board of Higher Education meetings include the following:

May
Introduction and final adoption
605.1 - Academic Freedom and Tenure; Academic Appointments

June
Introduction and final adoption
900 - Facilities Policies
HR 7.1 - Sick Leave
302.9 - Faculty and Staff Advisors
506.1 - Immunizations; TB Testing
706.1 - Board Member Per Diem Payments

Second reading and final adoption
605.1 - Academic Freedom and Tenure; Academic Appointments
Consent Agenda Items Approved

Consent agenda items approved at the May and June 2011 State Board of Higher Education meetings include the following:

Financial and Facility Consent Agenda

May

LRSC: Approval to proceed with various energy improvements with a $517,173 grant from the Department of Commerce DCS ARRA Energy Efficiency Improvement Program for state facilities

LRSC: Approval to proceed with replacement of about 195,000 sq. ft. of roofing with $866,000 in state general funds

NDSCS: Approval to proceed with a $10.5 million addition to Bisek Hall with $10.3 million from general funds and $200,000 from other funds; approval to seek up to $5 million in instructional equipment donations from industry partners

NDSU: Ratification of the chancellor’s interim authorization to seek legislative authority to increase spending for the Forest Service Greenhouse at the Towner State Nursery from $391,000 to $396,669

NDSU: Approval of the Forest Service request to transfer $20,000 of general fund authority from operations to capital assets for the purchase of equipment at the Towner State Nursery

NDSU: Approval to proceed with the final phase of the AES Research Greenhouse project in the amount of $8,775,316 to be paid as follows: $6,991,650 in general funds and $1,783,669 in special funds

NDSU: Approval to proceed with the south engineering roof and building envelope improvements at a cost of $800,000 funded from 2009–11 deferred maintenance and 2011–13 extraordinary repairs

NDSU: Approval to proceed with replacement of the heating plant hard car unloader at a cost of $350,000 funded from 2011–13 extraordinary repairs funds

NDSU: Approval to proceed with an energy performance contract with Energy Services Group for up to $11 million for installation of energy efficient improvements, including up to $2.8 million in Department of Commerce ARRA grants

VCSU: Approval to proceed with the Rhoades Science Center renovation and expansion project at the cost of $10.5 million funded with $10.3 million in general funds and up to $200,000 in private and/or institutional local funds

WSC: Approval to proceed with the $3.52 million science laboratory project with $2.93 million in state general funds and $580,000 in other funds

June

BSC: Approval to proceed with completion of the 4th floor in the National Energy Center of Excellence, at a cost of up to $4,335,000 with $3.3 million in 2011–13 capital asset funds and $1,035,000 from federal and/or private funds

BSC: Approval to proceed with construction of a physical plant building at a cost of up to $1.5 million from 2011–13 capital assets funds

DCB: Approval to proceed with repaving of campus roads at an estimated cost of $700,000 funded from 2011–13 state capital assets funds

DSU: Approval to increase the project amount for the west campus parking lot lighting/paving project from $400,000 to $1.1 million paid from 2009–11 deferred maintenance funding

NDUS: Approval to name the Stevens Hall auditorium as the Hall Gate City Bank Auditorium

UND: Approval to proceed with re-paving of campus roads at an estimated cost of $700,000 funded from 2011–13 state capital assets funds

UND: Approval to proceed with an addition to and renovation of Wilkerson Hall Dining Center at a cost of $1.4 million funded with auxiliary revenue bonds
Celebrating Successes

In the spirit of the Roundtable on Higher Education, North Dakota University System colleges and universities share the following examples of their contributions to the economic growth, educational excellence and social vitality of North Dakota.

Bismarck State College
• BSC recently signed an articulation agreement with Salt Lake Community College in Salt Lake City, Utah, for students who plan to enroll in BSC’s online BAS in energy management program. Graduates of SLCC’s two-year energy management program will benefit from seamless transfer into the BSC program.
• For the fourth year, in June BSC was named one of the top 10 places to work by the Young Professionals Network of Bismarck-Mandan. To be eligible, a business must employ young professionals under age 40. Criteria include innovation, benefits and inclusion.
• Ten BSC employees completed the first Excellence through Leadership program in May. Developed by BSC employees and training professionals, the nine-month pilot program is part of the college’s recruitment and retention plan. Goals include providing opportunities for employees to develop, refine and practice leadership skills and to strengthen leadership performance across BSC.

Dakota College at Bottineau
• Beginning Fall 2011, DCB will collaborate with VCSU to bring caregiver - child and adult, para-education and medical assistant majors to the Valley City area. DCB will offer the degrees, VCSU will host the programs and both schools will provide coursework for the curriculums.
• Summer work on campus will include repaving 180,000 sq. ft. of campus roads and parking lots, replacing curb and gutter, and grading roads for proper drainage. The project was made possible by a $700,000 appropriation from the 2011 Legislative Assembly.

North Dakota State College of Science
• NDSCS students competed in the 38th annual North Dakota SkillsUSA State Skills and Leadership Conference held at BSC in early April. NDSCS students placed first in 10 categories and qualified to compete in the national contest where they took the top two positions in eight categories. Twenty-six NDSCS students placed within the top three.
• The ThinkBIG Caterpillar global conference was held May 24 – 26 on the NDSCS campus. The conference was attended by 19 colleges and universities that serve 45 Caterpillar dealer partners in eight countries, including the United States, Canada, Mexico, Peru, Ecuador, Chile, United Kingdom and China. Strategic discussions included student recruitment and selection, Cat dealer participation in the partnership, dealer internment management, organizing a productive day, instructor development, curriculum edits, introduction to new CAT products and program administration.
• NDSCS received State Energy Program American Recovery and Reinvestment Act (AARA) grants totaling more than $635,000. The North Dakota Department of Commerce administers the SEP program that promotes energy conservation and efficiency and reduces the growth rate of energy demand. The grants will help replace 75 electric motors with new high-efficiency models, 20,000 light bulbs with more efficient bulbs and 1,200 light fixtures with energy efficient fixtures.

North Dakota State University
• NDSU soon will begin a major energy-reduction project that will produce significant utility savings and address both efficiency and deferred maintenance. The overall project is anticipated to cost just under $11 million and will affect 63 buildings. The resulting utility savings will allow the project to pay for itself over the next 15 years.
• A team of NDSU scientists and engineers was awarded a two-year $200,000 grant from the North Dakota Renewable Energy Council to fund a portion of a project titled Bio-based Non-Isocyanate Urethane Hybrid Resins for Pultrusion Composites. NDSU and Tecton Products LLC, Fargo, are collaborating on research to help meet market demand for “green” composite building materials.
• NDSU landscape architecture students won the Award of Excellence, the highest honor in the American Society of Landscape Architecture Central States Regional Awards competition, for their project titled Where the Buffalo Roamed: Recreation and Restoration Strategies for the Sheyenne National Grasslands.

University of North Dakota
• UND’s International Space Station Agricultural Camera (ISSAC) successfully captured its first high-resolution image from space June 10. The photograph, which depicts the western coastal region of Florida, is a milestone for the program and is the result of a decade-long development effort by UND students and faculty members.
• National searches for two new deans are complete. Kathryn R.L. Rand became dean of the School of Law on July 1, and Dr. Denise Korniewicz will become dean of the College of Nursing on Aug. 1.
• UND students won the NASA Lunabotics competition May 26–28.
Consent Agendas, from Page 6

VCSU: Ratification of the chancellor’s interim action to proceed with multiple energy efficiency projects at a cost of $629,657 funded by a Department of Commerce Energy program grant

WSC: Approval to seek legislative authorization to change the residence hall project amount from $9,875,000 to $9,975,000 from private gift funds

WSC: Approval to seek Budget Section authorization to change the project amount from $1.5 million to up to $3 million for Phase I and II of the campus branding project with $1 million funded from the 2011–13 Permanent Oil Trust Fund and $2 million from private foundation funds

WSC: Approval to seek Budget Section authorization to increase the workforce training center project funding from $2,225,000 to $3,910,000 funded with $500,000 in state general funds and $3.4 million from a Bank of North Dakota loan to be repaid from workforce training revenues

TIAA-CREF: Approval of a plan change to Premier Share Class effective the second quarter of 2011 for 401(a) deferred compensation plans, 403(b) deferred annuity plans, 457(b) executive compensation plans, and 403(b) executive compensation plans for applicable options

TIAA-CREF: Approval of an increase in plan contribution rates of 2 percent on Jan. 1, 2012, and another 2 percent on Jan. 1, 2013, with 50 percent paid by the employer and 50 percent paid by the employee, consistent with legislative action

Academic Consent Agenda

June

BSC: Offer an A.A.S. and P.C. in water and wastewater technology both traditionally and at a distance

MiSU: Offer a B.S.W. in social work at a distance

NDSU: Offer an M.S. in materials and nanotechnology

UND: Terminate the:
• M.S. and M.Ed. in special education/strategist
• M.S. and M.Ed. in special education/cognitive/developmental disabilities
• M.S. and M.Ed. in special education/early childhood

• M.S. and M.Ed. in special education/emotional disturbance
• M.S. and M.Ed. in special education/learning disabilities
• M.S. and M.Ed. in special education/visual impairment

UND: Offer a minor in astrophysics

UND: Offer a graduate certificate in social entrepreneurship traditionally and at a distance

VCSU: Offer a bachelor’s degree in business process integration management traditionally and at a distance

Personnel Consent Agenda

June

Approve appointment of Rodney Howe to the North Dakota State Board of Agriculture Research and Extension

Approve appointment of Doyle Johannes to the North Dakota State Board of Agriculture Research and Extension

Celebrating Successes, from Page 7

at the Kennedy Space Center Visitor Complex in Florida. Competing against 45 other teams from universities around the world, UND scored the most points in the competition to design and build a robot capable of collecting and depositing lunar dirt.

Williston State College

• WSC unveiled a new logo on April 5. The branding effort is the culmination of a committee process with representation from faculty, staff, students and the community. The logo embodies WSC’s identity now and for years to come. The July 1 launch coincides with the college’s 50th anniversary.

• Working with local 4-H groups, the WSC Agriculture Department is wrapping up its first Carcass Challenge. Steers donated by 17 local cattle producers will be processed at Prairie Packing in Williston and will be sold as full, halves and quarters of beef.

Upcoming SBHE Meetings

Sept. 15 .......... DSU
Sept. 29 .......... Joint Boards
Nov. 17 .......... UND
Dec. 15 .......... Conf. call