North Dakota Board of Higher Education
Meeting Minutes
March 15, 2016

The State Board of Higher Education met on Tuesday, March 15, 2016, at 8:00 a.m. CT. University of North Dakota, Gorecki Alumni Center, Gransberg room, 3501 University Ave, Grand Forks, ND 58202.

Chair Neset called the meeting to order at 8:00 a.m. CT.

Members present:
Ms. Kathleen Neset, Chair
Mr. Greg Stemen
Dr. Kevin Melicher
Mr. Mike Ness
Dr. Eric Murphy, Faculty Adviser

Mr. Don Morton, Vice Chair
Mr. Brett Johnson
Mr. Nick Hacker
Ms. Emma Tufte, Staff Adviser

Chancellor present: Dr. Mark Hagerott

Institution Presidents present:
Dr. Gary Hagen, President, MaSU
Dr. Doug Darling President, LRSC
Dr. Jerry Migler, Dean, DCB
Dr. Ray Naldolny, President, WSC
Dr. Dean Brescia, President, NDSU
Mr. Ed Schafter, Interim President, UND
Dr. Larry C. Skogen, President, BSC
Dr. Steve Shirley, President, MiSU
Dr. Tisa Mason, President, VCSU
Dr. Tom Mitzel, President, DSU
Mr. Dennis Gladen, Vice President for Administrative Affairs, NDSCS

NDUS senior staff present:
Dr. Lisa Feldner, Interim Chief of Staff
Dr. Richard Rothaus, Interim Vice Chancellor for Academic and Student Affairs
Ms. Tammy Dolan, Chief Financial Officer
Ms. Linda Donlin, Vice Chancellor for Strategic Engagement
Ms. Billie Jo Lorius, Director of Communications
Ms. Kristie Hetzler, Executive Assistant to the State Board of Higher Education

Others Present:
Mr. Noah Brisbin, Attorney General’s office
Mr. Nick Vaughn, Attorney General’s office

1. Agenda
Board member Stemen requested to move policies up on the agenda for today and future meetings. Board Chair added a report from the SBHE Audit Committee.

Ness moved, Melicher seconded, to approve the agenda with amendments.
Melicher, Ness, Stemen, Hacker, Morton, Johnson, and Neset voted yes.

UND Presidential Interviews
UND presidential search co-chairs, Dr. Hesham El-Rewini and Mr. Grant Shaft made opening comments and thanked everyone for their participation.

The Board conducted interviews with the following candidates:
- Dr. Steven W. Shirley
- Hon. Mark R. Kennedy
- Dr. Nagi G. Naganathan

Executive Session
Johnson moved, Melicher seconded, to enter Executive Session to (1) consider the appointment of, and contract terms for, the next president of University of North Dakota; (2) consider any confidential or other background information on the candidate; and (3) limit the executive session to voting board members, nonvoting advisors, chancellor, and board counsel.

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

Melicher, Ness, Stemen, Hacker, Morton, Johnson, and Neset voted yes.

Executive session began at 11:15 a.m. CT, and adjourned at 1:15 p.m. CT.

Members present:
- Ms. Kathleen Neset, Chair
- Mr. Greg Stemen
- Dr. Kevin Melicher
- Mr. Mike Ness
- Dr. Eric Murphy, Faculty Adviser
- Dr. Mark Hagerott, NDUS Office
- Dr. Lisa Feldner, NDUS Office
- Ms. Kristie Hetzler, NDUS Office
- Mr. Noah Brisbin, Attorney General’s office
- Mr. Nick Vaughn, Attorney General’s office

Executive session adjourned at 1:15 p.m. CT.

Board chair reconvened the open meeting at 1:30 p.m. CT.

UND President
Hacker moved, Stemen seconded, to offer the position of UND President to Mark R. Kennedy, contingent on successful negotiations of a contract and terms with Vice Chair, Morton.

Morton, Melicher, Ness, Stemen, Hacker, Johnson, and Neset voted yes.

Mr. Morton stepped out to negotiate UND presidential contract and terms.
Chancellor’s Report
Chancellor Hagerott stated he has began working with the President’s to set their goals for the upcoming year and will have more information at a future Board meeting.

Linda Donlin gave an update on the NDUS strategic plan, Envision 2030. The plan will be discussed at the May 23rd meeting, with a broad list of stakeholders. There will be goal-setting breakout sessions to begin looking at what higher education needs will be in 2030. Topics to discuss will include:

- Meeting state workforce needs
- Globalization impact
- Tomorrow’s student
- Classroom of 2030, Health/wellness
- Student expectations

Board Policies 1st Reading:
Ness moved, Melicher seconded, to approve the following first reading of Board policies:

- Policy 402 – Delegation of Admission Authority
- Policy 402.1.1 – Admission Policies Standardized Test Scores
- Policy 402.1.2 – Admission Policies Placement into College Courses
- HR 6 – Annual Leave
- HR 7 – Sick Leave

Melicher, Ness, Stemen, Hacker, Johnson, and Neset voted yes.

Board Policy 2nd Reading:
Ness moved, Melicher seconded, to approve the following second reading of Board policies:

- HR 13 – Employment of Relatives
- Policy 402.1 – First-Year Applicants-Certificate, Diploma, and Associate Degree Programs

Stemen, Melicher, Ness, Hacker, Johnson, and Neset voted yes.

7. SBHE Meeting Changes
SBHE Meeting Changes:
- May 26 to May 23 & 24, 2016, Bismarck;
- July 27 & 28 Retreat to June 16 & 17, Lewis & Clark Center, Washburn;
- Cancel June 30, 2016.

Stemen moved, Melicher seconded to approve amendments to the meeting schedule.

Stemen, Melicher, Ness, Hacker, Johnson, and Neset voted yes.

8. Honorary Degrees
Hacker moved, Stemen seconded, to approve the following honorary degrees:
BSC - Mr. David A. Sprynczynatyk, former Adjutant General of the North Dakota National Guard.

UND - Honorable Carolyn Becraft, member of the UND College of Business and Public Administration Board and as the Vice President of the Alumni Association of the University of North Dakota.

NDSU - Dr. Myron D. Johnsrud, former Director, Extension and Outreach, National Association of State Universities and Land-Grant Colleges (now named Association of Public and Land-grant Universities, APLU).

Melicher, Ness, Stemen, Hacker, Johnson, and Neset voted yes.

**SBHE Budget, Finance, and Facilities Committee Consent:**

9. Authorize BSC to proceed with Roof Replacement projects at an estimated cost of $395,000 to be funded from the one-time deferred maintenance allocation as authorized by the 64th Legislative Assembly (2015) in HB1003, Section 2. One-Time Funding – Effect on Base Budget – Report to Sixty-Fifth Legislative Assembly. Furthermore, authorize the transfer of $395,000 from 2015-17 North Dakota University System Office deferred maintenance pool to Bismarck State College’s capital assets line item per HB1003 (2015), Section 25.

10. Authorize NDSU to proceed with the Administration Building (Old Main) Roof Replacement and Cooling Project at an estimated total cost of $900,000 to be funded from the $3.5 million one-time 2015-17 deferred maintenance funding included in HB1003, Section 2. One-Time Funding – Effect on Base Budget – Report to Sixty-Fifth Legislative Assembly. Furthermore, authorize the transfer of $87,600 from 2015-17 North Dakota University System Office deferred maintenance pool to North Dakota State University’s capital assets line item per HB1003 (2015), Section 25.


It was noted that a possible tuition increase is capped at 2.5%, that limit is set by legislation. There was a discussion regarding student fees and how they will continue to be addressed by the tuition and waivers taskforce.

**Other Budget, Finance, and Facilities Consent:**

12. Authorize NDSU to proceed with the Churchill Hall Building Renovation project at an estimated cost of $11,000,000 to be funded from auxiliary local funds.

13. Authorize NDSU to proceed with the Residence Dining Center Expansion project at an estimated cost of $2,920,000 funded from auxiliary local funds.

14. Authorize UND to proceed with the UND Aerospace airport apron repair and partial replacement project at the Grand Forks International Airport at an estimated cost of $6,000,000 to be funded by the appropriation in 2015 HB1003.

Melicher moved, Ness seconded, to approve budget, finance, and facilities items 9 – 14.

Hacker, Johnson, Melicher, Ness, Stemen, and Neset voted yes.

**SBHE Academic and Student Affairs Committee Consent:**

Stage II-Program Termination:
15. University of North Dakota’s request for the following program termination: Certificate and Bachelor of Science in Cytotechnology, CIP Code 51.1002, effective Fall 2016.

Ness moved, Johnson seconded, to approve academic and student affairs item 15.

Hacker, Johnson, Melicher, Ness, Stemen, and Nset voted yes.

SBHE Audit Committee
Kathleen Neset informed the Board the Audit Committee met with the State Auditor’s office in executive session to review BSC, DSU, DCB, VCSU, MISU and WSC draft operational audits completed for fiscal year 2015/2014 and the NDUS’ responses. Audit committee members expressed concerns regarding WSC audit report and will re-visit the WSC audit findings in six months to ensure compliance.

Public Comment
Jenna Tullis, Melea Hoefner, and Masko Meganne presented concerns with the notification of the Music Therapy program at University of North Dakota no longer accepting new students.

Board Chair thanked them for expressing their concerns.

Meeting adjourned at 3:45 p.m. CT.

Approved on May 24, 2016.