The State Board of Higher Education met on Thursday, September 29, at 8:30 a.m. CT, at the University of North Dakota Medical School and Health Sciences, 1301 North Columbia Road, room E223/E224, Grand Forks, ND 58206.

Chair Neset called the meeting to order at 8:30 a.m. CT

Members present:
- Ms. Kathleen Neset, Chair
- Mr. Greg Stemen
- Dr. Kevin Melicher
- Mr. Nick Evans
- Dr. Ernst Pijning, Faculty Adviser
- Mr. Don Morton, Vice Chair
- Mr. Mike Ness
- Mr. Nick Hacker
- Mr. Andy Wakeford 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. Dean Bresciani, President, NDSU
- Mr. Mark Kennedy, President, UND
- Dr. Larry C. Skogen, President, BSC
- Dr. Steve Shirley, President, MiSU
- Dr. Tisa Mason, President, VCSU
- Dr. Tom Mitzel, President, DSU
- Ms. Kaylyn Bondy, Vice President for Student Affairs, WSC
- Dr. John Richman, President, NDSCS

NDUS senior staff present:
- Dr. Lisa Feldner, Interim Chief of Staff
- Ms. Tammy Dolan, Chief Financial Officer
- Ms. Linda Donlin, Vice Chancellor for Strategic Engagement
- Ms. Billie Jo Lorius, Director of Communication/Media Relations
- Ms. Kristie Hetzler, Executive Assistant to the State Board of Higher Education

Others:
- Mr. Nick Vaughn, Attorney General’s Office
- Mr. Noah Brisbin, Attorney General’s Office

1. **Agenda**

Ness moved, Stemen seconded, to approve the agenda.

Stemen, Ness, Melicher, Morton, Evans, and Neset voted yes.
2. **Meeting Minutes**
   Melicher moved, Evans seconded to approve the following meeting minutes:
   - May 24, 2016
   - June 6, 2016
   - June 17, 2016
   - June 29, 2016

   Stemen, Ness, Melicher, Morton, Evans, and Neset voted yes.

   Hacker phoned in at 8:40 a.m. CT.

   Representative Sanford thanked the Board, Chancellor, system office, and the campuses for the work they have completed on behalf of the Interim Higher Education Committee. He explained the next step will be for the Interim committee to present reports to the full legislative assembly.

   He presented four pieces of legislation moving forward from the Interim committee:
   - Continue the Challenge Grant Incentive for another two years at the same amount and format.
   - Modification to the loan forgiveness program, to include increasing the amount teachers receive.
   - Require all school districts to use e-transcripts.
   - Removing the sunset clause on the minimum amount payable portion of the funding formula.

   Representative Sanford also advised that cost containment be a priority system-wide.

**Board Policy**

3. First reading, Policy 302.3 – Budget and Finance Committee.
   Language will be included to add a minimal dollar amount.

4. First reading, Policy 1200.1 – Information Technology Consolidation Services
   A final report for all campuses will be brought back to the Board in within the next couple of meeting.

5. First reading, Policy 1202.3 – Data Privacy Policy

   Stemen moved, Melicher seconded to approve the first reading of the following policies, items 3 - 5:

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

**Board Business**

6. Ratify Theodore Roosevelt Library Lease – Nick Vaughn
   Mr. Nick Vaughn explained a provision was added to the lease that would address problems that may arise due to the condition of the property.

   Melicher moved, Ness seconded, to approve ratification for the ground lease agreement with the Theodore Roosevelt Presidential Library Foundation.
Stemen, Ness, Melicher, Hacker, Morton, Evans, and Neset voted yes.

7. **MiSU Mission Statement**
President Shirley presented a revised Minot State University mission statement to read the following:

Minot State University is a public university dedicated to excellence in education, scholarship, and community engagement achieved through rigorous academic experiences, active learning environments, commitment to public service, and a vibrant campus life.

Stemen moved, Evans seconded to approve the amended Minot State University mission statement.

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

8. **2017 SBHE Meeting Schedule**
Dr. Lisa Feldner presented a draft 2017 State Board of Higher Education meeting calendar. There was discussion regarding scheduling a monthly meeting with the option of changing whether the meeting will take place face to face or via technology.

The December 14, 2016, will remain on schedule and may be cancelled at a later date.

Stemen moved, Melicher seconded, to approve the 2017 meeting schedule with the flexibility to change meeting type.

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

9. **Appointment of Board Secretary**
Mr. Nick Vaughn explained the Board Secretary position is mostly signatory and due to Board members work load and to get the signature more expediently, the Board may choose to appoint an individual from the system office rather than a Board member.

Melicher moved, Ness seconded, to appointment the Chief Financial Officer from the system office, Ms. Tammy Dolan as the Board Secretary.

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

10. **Information Technology Plan**
Mr. Darin King presented a draft Information Technology Plan. North Dakota University System (NDUS)Core Technology Services staff coordinates the creation of a two-year strategic IT plan as required by N.D.C.C. The process involves campuses submitting business plans and collaborating on their potential implementations.
Morton moved, Stemen seconded to approve the NDUS Information Technology Strategic Plan for 2017-2019.

Stemen, Ness, Melicher, Morton, Evans, and Neset voted yes.

11. Tuition and Fees Study Report

Ms. Tammy Dolan explained President Richman has been leading a study group for the past year with the help of several individuals system-wide. The group brought a proposal to the SBHE Budget and Finance Committee. There were several questions and concerns regarding the financial impact to the individual campuses. Ms. Dolan requested the Board not discuss the tuition and fees report during current meeting and allow time for the group to re-evaluate it and come back with an updated proposal at a future meeting.

Stemen moved, Ness seconded, to table the tuition and fees study report until the SBHE Budget and Finance has an opportunity to review and make a recommendation to the full Board.

Stemen, Ness, Melicher, Morton, Evans, and Neset voted yes.

12. Strategic Plan Amendments

Ms. Linda Donlin presented amendments to the Strategic Plan. The plan would increase the state’s attainment goal from 60 percent to 65 percent by 2025. The goal is to increase the percentage of North Dakota citizens who have post-secondary education. She indicated the attainment portion of the plan is important to move forward on so the system can start working to seek grant funding to help with the process.

There was discussion whether or not the Presidents’ goals will be set individually, by tiers, or as a system. Further discussion will take place and revisited at a future Board meeting.

Melicher moved, Evens seconded, to accept strategy 2.2, to meet North Dakota’s workforce needs through recruitment of students from traditional and non-traditional audiences, both in and out of state. Increasing attainment to 65 percent of North Dakota’s workforce having education or training beyond high school by 2025, including postsecondary degrees, certificates and other high-quality credentials. Further, possibly raising it to 70 percent by 2030.

The remaining strategies will be tabled for a future Board meeting.

Stemen, Ness, Melicher, Morton, Evans, and Neset voted yes.

13. Chancellors’ Goals

Chancellor Hagerott presented his annual goals to the Board:

1. Goals for the System of the NDUS Office, Budget processes
2. Goals for the System of Campuses
3. Goals for System Policy Development
4. Goals for Responsive/Adaptive NDUS System

Melicher moved, Morton seconded, to approve Chancellor Hagerott’s goals for himself and the North Dakota University System for 2016-17 academic year.

Stemen, Ness, Melicher, Morton, Evans, and Neset voted yes.

The Chancellor gave an overview of the President’s Goals. The Board discussed the process of the Presidents’ evaluations. The Chancellor explained the Governance Study group, led by President Mason, will be re-evaluating a tiered evaluation system. The Board will be presented a plan at a future meeting.

14. Joint Boards Meeting
Board member Ness gave an overview on the September Joint Boards annual meeting. The meeting consists of the State Board of Higher Education (SBHE), State Board of Public School Education (DPI), State Board for Career and Technical Education (CTE), and the Education Standards and Practices Board (ESPB). The group expressed concerns regarding the Higher Learning Commission’s new requirements to teach dual credit classes. It requires the instructor to have a degree one level above what they are teaching with substantial credits in the area being taught. It currently affects around 90 + dual credit instructors, and those instructors may not want to pursue a master’s degree.

There was discussion on the increase of admission requirements at UND and NDSU and whether the CTE and Academic Scholarships could be used as a proxy for completing core courses.

Dr. Rothaus stated that ultimately it will be the decision of the SBHE as to what constitutes core course requirements and that the SBHE Academic and Student Affairs Committee will continue working on it.

Mr. Ness noted that the SBHE and DPI meet on a monthly basis to further discuss these concerns.

15. Board Training
The Board discussed other options for Board training without having out-of-state travel expenses due to the current budget climate. It was suggested that a consultant could be brought in and/or Board members can request attending webinars on various topics.

System Reports
16. Envision 2030
Chancellor Hagerott informed the Board members that the system is currently holding Envision 2030 meetings at the campuses all around the state and will
continue to gather information on governance, administrative costs, retention, shared services, mission, and tuition and fees.

17. **NDUS Foundation**  
Board member Melicher informed the full Board that the NDUS has met and during the meeting they developed three different committees:
- Foundation development will collaborate with campus foundations, recognize funding sources, and seek grant opportunities.
- Executive committee will provide strategic direction and establish policy and procedures.
- Finance committee will review financial reports, invest funds, and award grants and scholarships.

The next meeting is scheduled tentatively in December.

18. **Budget Reduction Plans**  
Ms. Tammy Dolan provided the Board an update on Budget Reduction Plans, emphasizing that it is only a draft and will be a working document as budgets are adjusting to changes.

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

19. Ratify Chancellor’s interim authorization for DSU to complete asbestos removal within Woods Hall in preparation for additional renovation work at a cost of $124,328 to be funded from DSU auxiliary funds.
20. Ratify Chancellor’s interim authorization to replace LRSC’s high voltage distribution system, upgrade its electrical panels, provide emergency life and safety backup electrical generation capabilities and, if contingency funds allow, upgrade site lighting fixtures, wiring and poles at an estimated cost of $1,400,000. Appropriated capital asset funding from the ND Legislature is in place for this project.
21. Ratify Chancellor’s interim authorization for MiSU to proceed with the Concrete Footing for the inflatable Bubble project at an estimated cost of $384,000 to be funded by donation.
22. Recommend approval of line item transfers from 2015-17 operations to capital assets for the following campuses: NDSCS-$1,012,379; VCSU-$180,505.

Ness moved, Melicher seconded, to move budget and finance items, 19 – 22.

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

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

**Stage II-New Program(s):**

23. North Dakota State University’s request for a new program via on-campus:  
Stage II-Program Termination(s):

Stemen moved, Evans seconded, to move academic items, 23 – 24.

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

Chair Neset informed the Board members that the investigation into NDSU’s communication regarding their media guidelines will be discussed at a future meeting.

Board members attended a tour of the new medical school at 1:00 p.m. CT.

Meeting adjourned at 2:00 p.m. CT.

Approved October 27, 2016.