

NORTH DAKOTA
TASK FORCE FOR
HIGHER
EDUCATION
GOVERNANCE

December 31, 2018

Final Report

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A History of the Task Force for Higher Education Governance

On November 7, 2017, Governor Doug Burgum, by means of Executive Order 2017-19, created the Task Force for Higher Education Governance (Task Force). The Task Force consisted of 15 members, appointed by the Governor, representing the interests of students, faculty, business leaders, community members and all branches of state government. The Task Force was selected from a state-wide applicant pool of over 230 citizens. This record number indicated the strong level of interest in improving on the current governance system.

Beginning January 2018, the Task Force met 10 times to review the history of North Dakota's university system, research the structure of higher education **governance systems** across the country and determine how governance of the North Dakota University System (NDUS) could be improved to better meet the needs of the 21st century. While there are many aspects of higher education that could have been reviewed, this Task Force was directed to review only the governance structure. The work of this Task Force was difficult, and the state shares its gratitude for the time, energy and thoughtfulness of each Task Force member.

Purpose of the Governance Task Force

As outlined within the executive order, the purpose of the Task Force was to:

- a. Assess the strengths and weaknesses of the current higher education governance structure and determine whether the current structure promotes optimal efficiency, effective operations and desired results;
- b. Determine whether the current governance structure complies with Article VIII, Section 6 of the North Dakota Constitution;
- c. Identify best practices for governance of a higher education system;
- d. Provide written recommendations outlining proposed changes to the governance structure that promote effective operations and desired results, focused on educational and workforce needs of North Dakota in the 21st century.

The full executive order can be found in appendix A

Task Force Members (Listed alphabetically by last name)

Brad Bekkedahl, ND State Senator

Doug Burgum, Governor

Dr. Debora Dragseth*

Thomas Erickson

Tim Flakoll, Provost

Joan Heckaman, ND State Senator

Dr. Angie Koppang

Dr. Paul Markel

Katie Mastel, Student Representative

Don Morton, Chair of the State Board of Higher Education

Mike Nathe, ND State Representative

Shannon Roers Jones, ND State Representative

Jonathan Sickler
Gerald Vandewalle, ND Supreme Court Chief Justice
Jeffrey Volk

*Dr. Dragseth was preceded by Dr. Ellie Shockley. Dr. Shockley resigned her appointment after accepting a position as an Institutional Researcher within the NDUS.

The titles and additional background information for each Task Force member can be found in appendix B.

Executive Summary

The Task Force held 10 meetings over the span of 11 months to better understand the needs and challenges of the NDUS and the State Board of Higher Education (SBHE). There are many challenges facing higher education today, and the Task Force was created to focus on governance because it is the key to making a positive impact across all facets of higher education. With the correct governance structure, many challenges will be resolved, and new and innovative goals will be set and achieved.

Current Governance Structures

With research support and meeting facilitation provided by the Association of Governing Boards of Universities and Colleges (AGB), the consulting firm hired by the Task Force, the Task Force members were able to compare and contrast higher education governance structures from across the country. Throughout the United States:

- 9 states have a single, consolidated statewide governance system like the current North Dakota system;
- 13 states have multiple higher education governance systems;
- 11 states have separate governing boards for each of their senior institutions;
- 17 have a combination of these governance structures.

It became evident that there is no single governance approach that can be universally applied in higher education; a governance system must be based on the specific needs of a state at a given point in time. To accomplish this, Dr. Thomas Meredith of AGB challenged Task Force members to ask themselves, “What form of a university governance system will best allow higher education in North Dakota to thrive during a digital and economic disruption, among other challenges?”

Goals and Recommendation

In addition to seeking a governance structure to meet the specific needs of North Dakota and improving accountability, the Task Force identified seven features of a high-functioning governance structure: nimbleness, an innovative spirit, an enterprising culture, technologically advanced, institutional autonomy, partnership-oriented and cost-conscious. When reviewing these key features and the current structure, the Task Force voted unanimously (15-0) to recommend the current governance structure be changed to meet the needs of 21st century higher education.

To accomplish the goals of North Dakota, add improved accountability for higher education and provide the seven key features of a high-functioning governance structure, the Task Force recommended, by an 11-1 vote, with three members absent, a three-board governing structure: one board serving the community/regional institutions and one board each for the state’s two research institutions. Under a three-board governance structure, institutional leaders are held more accountable by board members focused on the institutions’ specific missions and roles within the state. These multiple boards would provide expanded capability to serve each North Dakota institution and its students, faculty and staff, as well as the citizens of North Dakota. Under our current system, university presidents have a dual

reporting system to both the North Dakota SBHE and the Chancellor. Under the proposed governance system, each university president would report directly to their respective boards. Lastly, the new structure would provide even greater expertise and breadth to each board, specific to the institutions they represent.

Challenges Identified to Current Approach

Task Force discussions identified several challenges within the current governance structure.

One of the challenges identified was attracting large, diverse pools of candidates for board membership. The three-board structure would better align with the missions of the institutions, attracting greater numbers of passionate board members dedicated to the specific goals of each board. In addition, the Task Force recommended that the existing appointment process be made less cumbersome and more efficient and expedited, thus removing barriers for potential board members.

A second challenge identified was managing the responsibilities, oversight and scope of an eight-member board. When the current structure was created in 1938, the entire system enrolled only approximately 7,000 students; today it is responsible for approximately 45,000 students, 2,600 faculty and 5,800 staff, with a combined biennial budget of approximately \$2.6 billion. Today, board members are expected to possess expertise and in-depth knowledge of institutions with a wide array of missions and of widely varying sizes in terms of students, faculty, staff, budgets, endowments and academic offerings, making the process for onboarding difficult.

Using North Dakota school districts as an example, providing a more localized approach would help hold North Dakota institutional leadership more accountable. When the system was put in place in 1938, the board member to student ratio was approximately 1:1000 and today it stands at 1:6,555. This contrasts with North Dakota school districts, where representation is more equally disbursed, with the largest district, Bismarck School District, having a ratio of 1:2,590. The proposed three-board recommendation would change the ratio to 1:1,824 for the Community and Regional Institution Board and approximately 1:1,728 for each of the research institutions. Figure one, on page six, highlights the enrollments of the top 16 school districts in North Dakota and how the current NDUS and institutional enrollments, as well as the proposed three-board enrollments would compare.

Moving to the three-board structure and increasing the total board membership would narrow board members' responsibility and provide more distributed representation for students, faculty and staff. Under this new structure, 40 percent of students would be governed by the Community/Regional Institutional board, 30 percent by the North Dakota State University board and 30 percent by the University North Dakota board. In addition to student representation more evenly distributed, so too would representation for faculty, distributed almost equally at 33 percent under each board.

Figure 1.

School Districts and NDUS Institutions Ranked by 2018-2019 Headcount Enrollment		
District/Institution	Number of Board Members (non-student)	Number of Students
Existing NDUS	7	45882
Proposed Community/Regional Board	10	18239
Proposed North Dakota State University Board	8	13796
Proposed University of North Dakota Board	8	13847
North Dakota State University (NDSU)		13796
University of North Dakota (UND)		13847
Bismarck 1	5	12948
Fargo 1	9	11373
West Fargo 6	7	10799
Minot 1	5	7523
Grand Forks 1	9	7342
Williston 1	5	4349
Mandan 1	9	3890
Bismarck State College (BSC)		3778
Dickinson 1	5	3759
Minot State University (MiSU)		3189
North Dakota State College of Science (NDSCS)		2957
Jamestown 1	9	2138
Lake Region State College (LRSC)		2072
McKenzie Co 1	7	1802
Devils Lake 1	6	1668
Belcourt 7	7	1620
Valley City State University (VCSU)		1547
Dickinson State University (DSU)		1392
Wahpeton 37	9	1188
Mayville State University (MaSU)		1184
Williston State College (WSC)		1124
Valley City 2	5	1078
New Town 1	5	1015
Dakota College at Bottineau (DCB)		996
Central Cass 17	7	928

Retaining Positive Elements of the Current Higher Education System

While the Task Force was able to identify challenges, it also confirmed aspects of the system that are working well. The current transferability of students between institutions is one of the best of any system in the country, largely due to the use of common course numbering.

Continuing that success, the Task Force recommended requiring that transferability of credits and common course numbering be maintained moving forward. The group also recommended maintaining a single statewide funding formula, basing general fund higher education investments on credit hour production. In addition, the Task Force recommended maintaining some shared technology services across all eleven institutions. To manage and maintain these critical pieces of the current system, the Task Force recommended the current NDUS office be transformed to an Office of Higher Education led by a Higher Education Administrator. In addition to these duties, the administrator would serve as a liaison between the three governing boards, supporting collaborative efforts and board staff. Finally, the Task Force recommends the three boards maintain full authority over the institutions under their control as currently outlined within Article VIII, Section 6 (6)(B) of the North Dakota Constitution for the current SBHE.

Concerns

Large-scale change, such as what is being proposed for North Dakota higher education governance, is bound to be met with some skepticism and concern. Some believe replacing one governing board with three boards would minimize response to state-wide public needs. However, state-wide needs may more easily be represented through a more localized approach, much like the existing K-12 governance structures, by allowing governing boards to respond quickly to the needs of businesses seeking trained professionals from state institutions. Others have expressed concern over the research institutions being separated and potentially influencing the budgeting process for their individual gain. However, the funding formula and the legislature retain the power to drive the budget and require accountability. The guardrails proposed in this report would manage these concerns by maintaining what is working and increasing collaboration.

Closing

The Task Force advances this report as a tool for the Governor and the 66th Legislative Assembly during the 2019 session to make positive changes for the future of North Dakota higher education. This report should be utilized for detail, explanation and understanding when the people of North Dakota have an opportunity to vote on potential constitutional changes. This recommendation would create three boards that hold institutions more accountable; create a system that can attract a greater number of high-quality board members while creating more balanced expectations; develop stronger mission focused boards to enhance effectiveness of governance for students, faculty, staff and tax payers. Today, we need these boards to navigate their way through external forces that are impacting higher education around the world.

The Task Force encourages all with a vested interest in higher education to be open-minded, bold in their thinking and focused on the needs of students when considering these recommendations. These recommendations would improve the governance structure of North Dakota higher education, allowing it to serve as a nimble and effective structure for decades to come.

Key Features of Successful Governance Structures Across the U.S.

The Task Force reviewed benefits and challenges of higher education governance structures across the United States. As shared by Larry Isaak, President of the Midwestern Higher Education Compact and former Chancellor of the NDUS, at the February Task Force meeting, according to the State Constitutional Provisions and Higher Education Governance Document (2013), 23 states have governing structures with a mixture of types and numbers of governing and coordinating boards, 14 states have two boards to split authority between two-year, and four-year institutions and nine states have one board overseeing all public institutions.

AGB provided greater detail in that nine states have a single, consolidated statewide system, 13 states have multiple higher education systems of various styles, 11 states have separate governing boards for each of their senior institutions, and the remaining 17 states have a combination of these structures. As shared by AGB, these various models underscore that no one type of governance structure guarantees student, faculty and/or staff success. A state must develop its own structure to best meet its needs in the 21st century.

An AGB report titled “Consequential Boards: Adding Value Where It Matters Most” (2014), provides seven recommendations to consider when discussing governance structures

1. Boards must **improve value in their institutions** and lead a **restoration of public trust** in higher education itself;
2. Boards must **add value to institutional leadership decision making** by focusing on their **role as institutional fiduciaries**;
3. Boards must act to **ensure the long-term sustainability** of their institutions by addressing changed finances and the imperative to **deliver high quality education at a lower cost**;
4. Boards must **improve shared governance within their institutions** through attention to board-president relationships and a reinvigoration of faculty shared governance;
5. Boards must **improve their own capacity** and functionality through **increased attention to the qualifications and recruitment of members, board orientation, committee composition and removal of members for cause**;
6. Boards must **focus their time on issues of greatest consequence** to the institution by reducing time spent reviewing routine reports and redirecting attention to cross-cutting and strategic issues not addressed elsewhere;
7. Boards must **hold themselves accountable for their own performance** by modeling the same behaviors and performance they expect from others in their institutions(s).

Overview of Task Force Meetings

January Task Force Meeting

The Task Force was provided a presentation by Legislative Council on past legislation related to higher education governance within the state. Following are highlights of historical information provided by Legislative Council:

At the creation of the state in 1889, the constitution required there be seven institutions within the state: a “state university and school of mines” in Grand Forks, an “agricultural college” in Fargo, normal schools in Valley City and Mayville, a “Scientific School” in Wahpeton, a school of forestry, and an “industrial school and school for manual training” in Ellendale. At this time, governance of higher education was placed under the “absolute control of the state” until the creation of the Board of Education in 1913.

Since the Board of Education, governance of higher education within the state has evolved through constitutional amendments, legislative changes, and internal board policies. Of the changes, three have been exceptionally significant: the creation of the Board of Regents in 1916; the creation of the new Board of Administration with governing authority over higher education; and the 1938 constitutional amendment to create the SBHE. While the overall structure has remained largely unchanged since the first meeting of the SBHE, on July 6, 1939, the board composition, duties and authorities have evolved to present day. One of the significant evolutions of the board was the creation of the North Dakota University System as a unified system of higher education under the leadership of a system leader known as the chancellor.

In addition to Legislative Council, Isaak provided a presentation on the governance structure of North Dakota and how it compared to structures across the country. The Task Force also heard an NDUS overview presentation from Tammy Dolan, Vice Chancellor for Administrative Affairs/CFO. The meeting concluded with the first presentation by AGB to assist in the facilitation of task force meetings and in the exploration and development of recommendations for North Dakota. For January meeting materials see appendix C.

February Task Force Meeting

Two presentations were provided. Pat Traynor, the President of the Dakota Medical Foundation, shared how higher impact boards can dramatically increase the productivity of foundations and organizations across a variety of spectrums. Dr. Thomas Meredith of AGB provided a framework for thinking within the Task Force and challenged the members to ask themselves, “What form of a university governance system will best allow higher education in North Dakota to thrive during digital and economic disruption, among other challenges?” Dr. Meredith shared that knowledge in 1900 was doubled every 100 years, by 1945 knowledge doubled every 25 years and today, knowledge doubles every 12 months. Through this discussion, AGB urged the group to think about how this massive knowledge change may be altering higher education in North Dakota. The Task Force was encouraged

to identify the barriers, if any, to creating the most effective higher education governance structure for the state. For February meeting materials see appendix D.

March Task Force Meeting

Chancellor Mark Hagerott of the NDUS concluded the presentation that was started at the February Task Force meeting. During this presentation there was a focus on enrollment numbers, with an understanding of full-time and part-time as well as online or traditional student types. Additionally, the Chancellor provided an update on the Envision 2030 effort led by the NDUS. The meeting concluded with a presentation by the governor's staff on the mission of the Task Force, what the report could include, as well as the timeline for the work for the Task Force. For March meeting materials see appendix E.

April Task Force Meeting

AGB consultants presented an overview of the proposed timeline for the Task Force work to be completed within the year. Throughout April and May, AGB consultants conducted interviews with stakeholders including business leaders, Task Force members, members of the SBHE, legislators, faculty, staff, students and North Dakota citizens. The April Task Force meeting served as an opportunity to gather information requests from Task Force members, research that information and report back. The NDUS provided information during the April meeting based on the requests highlighted in March. For April meeting materials see appendix F.

May Task Force Meeting

AGB prepared an overview of governance structures across all 50 states. AGB concluded that nine states have a single, consolidated statewide system, 13 states have multiple higher education systems of various styles, 11 states have institution-level governing boards, and the remaining 17 states have a combination of structures. For May meeting materials see appendix G.

June Task Force Meeting

Over a 60-day time frame, AGB consultants interviewed over 60 North Dakota citizens to understand their perspectives of the NDUS. In addition to these interviews, the public was invited to provide input through a newly created feedback mechanism by the Governor's Office from which the Task Force received 67 responses. Responses provided a variety of opinions and recommendations ranging from the creation of 11 boards to keeping the current structure with large modifications. Of the 67 online responses, 44 of the respondents indicated that they were current or former NDUS employees and at least 10 were NDUS alumni. For June meeting materials see appendix H.

No task force meeting was held in the month of July

August Task Force Meeting

The Task Force held discussion related to the goals of the higher education governance and the need for a focus on accountability. Within the umbrella of accountability, AGB provided an overview of the goals identified by Task Force members for a high-functioning governance structure as compiled from discussions over the past six Task Force meetings. While greater detail was provided, seven key features of a high functioning 21st century governance structure were identified:

- Nimbleness
- Innovative spirit
- Enterprising cultures
- Technologically advanced
- Institutional autonomy
- Partnership-oriented
- Cost-conscious

Following discussion on these features, AGB consultants developed, with Task Force input, seven possible governance structures that could be utilized within North Dakota. The options were as follows: the current structure; improvements to the current structure; a four-board option (two-year Community College Board, Regional University Board, NDSU Board and a UND Board); a three-board option (Community/Regional Institution Board, NDSU Board and UND Board); retaining the SBHE as a coordinating board and adding 11 institutional governing boards; a three-board option (Research Institution Board, a Community/Regional Institution Board and a coordinating Board); and a two-board option (Research Institution Board and a Community/Regional Institution Board).

At the conclusion of the August meeting, a consensus of the Task Force members, moved forward with four options: the current system with modifications, a two-board system (Research and Community/Regional), a three-board system (Community/Regional board, NDSU board, UND board) and a four-board option (Community board, regional board, NDSU board, UND board). The Task Force also requested that the coordinating board option and higher education administrator option be kept on the table, to assist with collaboration and shared services, in conjunction with each of the potential governance structures. The Task Force also requested that additional details on each of the options be provided at the next meeting. For August meeting materials see appendix I.

September Task Force Meeting

The September meeting was the final meeting at which AGB consultants provided a full presentation. During this presentation, AGB consultants shared further details regarding each of the four models moved forward by the Task Force at the August meeting. In addition to discussing the models, they shared the differences between a potential coordinating board and higher education administrator structure. Throughout the meeting, the Task Force requested further details to assist in making decisions about potential reductions of options at the October task force meeting. The Task Force also requested information regarding student enrollment, as well as the amount of faculty and staff that

would be represented by each board configuration. In addition, potential duties and responsibilities for each proposed option were requested. The Task Force agreed to put “in the parking lot,” or set aside, the option of retaining the current system with modifications. The task force decided a more significant change could be made to create more impactful results and thus decided to study further options. The Task Force was confident that many of the discussions regarding board make up and terms could be transferred to that of the current model and there would certainly be conversations regarding modifications on the current model by others during the legislative session. For September meeting materials see appendix J.

October Task Force Meeting

The Task Force was presented with three potential governance structures with details requested at the September meeting. Discussion took place regarding term lengths, requirements to serve on the various boards, responsibilities of the boards, aspects of the current system that could remain in place based on historical success and the enrollment, faculty, staff and budget totals for the institutions that each board would govern. There was additional discussion and comparison between a coordinating board and a higher education administrator. After much deliberation, the Task Force recommended removing a separate coordinating board as a potential option. It was decided that having a full coordinating board would add unnecessary bureaucracy and slow down the work of the governing boards. To assist with collaboration for the various multiple board options, the Task Force agreed that an advisory committee, created with representation from the existing governing boards, would satisfy the need. In addition, the Task Force advanced a recommendation to adjust the current system office with an office, administrator and staff to continue the successful aspects of the current system and to assist the governing boards. The Task Force recommended that all three remaining governance structure proposals (two-board, three-board and four-board) remain for consideration and that further demographic details be provided at the November meeting. For October meeting materials see appendix K.

November Task Force Meeting

The November meeting was the final formal meeting of the Task Force. During this meeting, additional demographic information was shared for each of the three potential governance structure recommendations. At the beginning of the meeting, the Task Force unanimously supported (15-0) the need to change the current structure of higher education governance to meet the needs of 21st Century higher education in North Dakota. Throughout the discussions there were members present who indicated support for the four-board alternative and two-board alternative, however at the conclusion of the meeting, a motion was made to advance the three-board governance structure (one board for the community and regional institutions and one board each for the two research institutions). This motion passed 11-1, with three members having departed prior to the vote. For November meeting materials see appendix L.

Governance Structure Recommended

Following 11 months of research, learning and deliberation, the Task Force unanimously (15-0) agreed that the current system of governance needs to be altered to meet the changing needs of the state. While opinions varied on the specific structure that should be recommended to the Governor, Legislature and the people, the Task Force voted 11-1, with three members absent, to advance a three-board structure with the community and regional institutions governed under one board and the two research institutions each governed under their own board. In conjunction with the three-board model, the Task Force recommended a Higher Education Administrator serve as a leader of a higher education office to maintain collaboration and shared services, and that a small advisory committee be created to assist with collaboration.

According to the AGB consultants, with a three-board governance structure, North Dakota would join four states that combine the four-year (non-research) institutions with the community and/or technical colleges under the same board: the Minnesota State Colleges and Universities, under the MinSCU Board of Trustees; the Connecticut State Colleges and Universities, under the Connecticut Board of Regents; the Vermont State Colleges System under its Board of Trustees; and the Massachusetts community colleges and state universities under the Massachusetts Board of Higher Education.

During the August Task Force meeting, AGB consultants provided advantages and disadvantages of a three-board governance structure. Advantages included attracting greater number of qualified board members, providing greater accountability through a more narrowed board focus, moving responsibility closer to the individual institutions, empowering institutional executives to develop solutions with their boards and balancing enrollment size thus creating greater equity of governance for students with their respective boards.

Additional details within the recommendation are outlined to follow:

Board Structure: Three-Board Governance Structure

Community and Regional Institutions Governing Board

- 14 total members, of which 11 would be voting members and 3 non-voting members
- Presidents of BSC, DCB, LRSC, NDSCS, WSC, DSU, MaSU, MiSU and VCSU would report to the Board with advisement and support from the executive director.

NDSU Governing Board

- 12 total members, of which nine would be voting members and three non-voting members
- President of NDSU would report to the Board.

UND Governing Board

- 12 total members, of which nine would be voting members and three non-voting members
- President of UND would report to the Board.

Term Number and Length (Six- year term with a maximum of two non-consecutive)

For all boards, the Task Force recommends a six-year term with a maximum of two non-consecutive full terms per lifetime across all governing boards. A full term must be fulfilled within one board and may not be divided among the three governing boards. A one-year student, faculty or staff appointment would not count toward the two-term-per-lifetime limit. At the creation of the three-board system, the terms would be staggered. Additionally, individuals selected for the first appointments may hold one full term consecutive to the initial term according to the following schedule:

Initial Staggering of Appointments (Graph of creation stagger can be found in appendix M)

- One member appointed to each board for 1 year, with the ability to hold two full terms again in lifetime
- Two members appointed to each board for 2 years, with the ability to hold two full terms again in lifetime
- Two members appointed to the Community/Regional Institution Board and one member appointed to each of the research institution boards for 3 years, with the ability to hold two full terms again in lifetime
- One member appointed to each board for 4 years, with the ability to hold one full term again in lifetime
- Two members appointed to each board for 5 years, with the ability to hold one full term again in lifetime
- Two members appointed to the Community/Regional Institution Board and one member appointed to each of the research institution boards for 6 years, with the ability to hold one full term again in a lifetime

Vacancy of Positions

Should a vacancy arise during an unfulfilled term, the new member would be appointed utilizing the normal appointment process. If the new member is appointed to fulfill three years or less of a previous board member's term, the appointment would not count toward the limit of two full terms per lifetime and may be consecutive to one full term.

Support Staff to the Governing Boards

The Community and Regional Institution Board would have an executive director as well as four staff to support the required work of the board. Both the NDSU and UND Governing Boards would be responsible for providing support staff, utilizing current full-time positions within the institutions. The duties of the executive director and support staff are discussed on page 17.

Requirements to be a Board Member

Voting Members

- Each board would be required to have a minimum of five voting members who reside within the state.
- Each board would be required to have one full-time student, in good academic standing, as a voting member, appointed; process discussed in *selection of student voting members* section on page 17. A student may not hold more than two consecutive student appointments.
- Remaining voting positions may be filled by any of the following:
 - Residents of the state of North Dakota
 - Out-of-state residents based on the following requirements:
 - Out-of-state residents holding an undergraduate degree from a North Dakota public higher education institution governed by one of the three boards or
 - A maximum of two voting members may be out-of-state residents without a degree from a North Dakota public higher education institution
- No board member may be a full-time employee of any higher education institution within the state, including tribal and private institutions, or be a full-time employee of the state office of higher education while serving on the board or for a period of two years following completion of employment.

Non-voting Members

- One faculty member would be appointed as a non-voting member to each governing board; appointment process discussed on page 18.
- One staff member would be appointed as a non-voting member to each governing board; appointment process discussed on page 18.
- The North Dakota Superintendent of Public Instruction or designee shall serve as a non-voting member on each of the three governing boards.

Additional Requirements for Community/Regional Institution Board

- There may be no more than two voting members holding an associates or bachelor's degree from one of the Community or Regional Institutions, excluding the student member.
- The student members may not be attending the same institution for more than two consecutive years
- Both the faculty and staff representatives of a single board may not be representatives of the same institution during the same term
- The faculty and staff members may not be representatives of the same institution for more than two consecutive years

During discussions of the Task Force, consideration was given to having faculty and staff serving as voting members rather than non-voting members on their respective boards.

Though much discussion was had, there was not a consensus recommendation for having those two positions as voting or non-voting. To proceed with the recommendation, the Task Force has included faculty and staff as non-voting members, as aligned with the current process today. Further discussion should be encouraged on this topic.

Responsibilities of each board

- Appoint one member of the board to serve as chair for one year
- Represent the full educational value and intent of students and the state within the mission of each individual institution
- Maintain high-quality academic programs
- Ensure excellence in programs, faculty, staff and students
- Provide responsible policies and procedures for proper governance and to hold each institution's leadership accountable
- Undertake periodic strategic planning to guide institutions overseen by the board and to advance the needs of the state and compete within the global higher education market
- Appoint, monitor, advise, motivate, support, evaluate and if necessary or advisable, replace an institution president
- Ensure collaboration and partnership with other public institutions within the state and the private sector
- Serve as a court of appeals when appropriate
- Regularly evaluate the board member's performance
- Ensure regular and proper training of board members
- Receive proposed budgets, tuition modifications and ranked capital construction projects from campus presidents to promote equity and appropriate investment of state resources through each institution
- Approve tuition levels, within the framework of the Century Code, of institutions represented by the board
- Provide a final budget recommendation to the executive and legislative branches for consideration
- Approve new and discontinued programs
- Engage with, listen to and deliver value to stakeholders who provide direct financial support such as students, the state, alumni and the private sector
- Shield institutions from direct political and other outside interference
- Ensure there is an ongoing reporting mechanism for accountability in research enterprise, collaboration and student learning.
- NDSU and UND boards would also be required to hold one joint meeting per year, dedicated to reviewing current collaboration efforts and determining where additional collaboration could be advanced
- Ensure academic freedom, as defined by AAUP is followed

Responsibilities of the Executive Director and Support Staff (Community College and Regional University Board)

- Provide administrative support to the Community College and Regional University Board
- Coordinate with the board chair, to develop agendas and supporting material for board meetings
- Support the institutional presidents in advancing educational opportunities within the state
- Administer presidential searches
- Support the board in administrative duties as assigned, including evaluations of institution presidents
- Serve as the liaison to the Higher Education Administrator (outline of responsibilities for administrator to follow), the legislature and the executive branch
- Draft, maintain and coordinate procedures and policies for the boards

Selection of Board Members

Selection of Voting Members

The Task Force did not formally advance a specific recommendation for appointment of voting members. However, the Task Force did recommend that the appointment process be expedited and made more efficient. An informal recommendation was shared with the Task Force, while no formal action was taken.

Potential for Appointment Process Identified

The following potential option could be utilized to create an appointment process that is more efficient and streamlined than the current process: The Governor would accept applications from the general public to fill vacant board positions. The Governor would then nominate one individual per open board position to a review committee. The committee would then be required to provide consent of the nomination within 30 days of receiving the notification from the Governor's Office.

The review committee would be chaired by the Superintendent of Public Instruction or designee, with other members being the President Pro Tempore of the Senate or designee, the Speaker of the House or designee, the Secretary of State or designee and a representative from North Dakota United or successor organization. To consent to a nomination, four of the five review committee members must approve the appointment. If a nomination is not approved, the Governor would be required to submit another nomination for remaining vacancies.

The Governor and the review committee shall ensure that the board membership is maintained in a balanced, equitable and representative manner.

Selection of Student Voting Member

Each year, by a date determined by the Governor, the North Dakota Student Association or successor organization must submit a minimum of two names and a maximum of four names of students, for nomination to the Community and

Regional Institution Governing Board, attending the respective institutions governed by that board, to the Governor.

Each institution's student government organization from the community colleges and regional institutions, may also submit a maximum of one name to the Governor for consideration by a date determined by the Governor. This student does not need to be an official member of the institution's student government. The Governor would then appoint one student member from the list(s) provided for the respective governing board. Student appointments would begin every year on July 1 and end on June 30th of the following year.

Each year, by a date determined by the Governor, both NDSU's and UND's student governments must submit a minimum of two names and a maximum of four student names to the Governor for consideration of appointment on their respective board. These students do not need to be an official member of the institution's student government. The Governor would then appoint a student member from the list provided to the respective governing board. Student appointments would begin every year on July 1 and end on June 30th of the following year.

Appointment of Faculty and Staff Non-voting Members

Each year, on or before July 1, the North Dakota Council of College Faculties and the North Dakota Staff Senate or successor organizations would appoint one faculty and one staff member, respectively, to the Community and Regional Institution Governing Board. The faculty and staff members must be in a benefited position within their institution.

Each year, on or before July 1st, the NDSU and UND faculty and staff organizations would appoint one faculty and one staff member, to the institution's respective governing board. The faculty and staff members must be in a benefited position within their institution.

Faculty and staff appointments would begin every year on July 1 and end on June 30th of the following year.

Office of Higher Education and Higher Education Administrator

Over the course of the last 11 months, the Task Force identified aspects of the North Dakota University System that have been successful in the past and would be beneficial to maintain in the future. To accomplish these tasks, the university system would be transformed to the Office of Higher Education and be led by a Higher Education Administrator. The Higher Education Administrator would be selected using the same process as the appointment process for voting members to the governing boards.

Below are the recommended duties and responsibilities of the Higher Education Administrator and the office staff, as identified by the Task Force. Additionally, the Task Force encouraged consideration of having state general funds contingent on institutions and governing boards complying with certain shared service requirements such as common course numberings, transferability of credits and shared technology. Finally, the Task Force recommends the three boards maintain full authority over the institutions under their control as currently outlined for the SBHE within article VIII, section 6 (6)(B) in the North Dakota Constitution.

Responsibilities of the Higher Education Administrator and Staff

- Represent, articulate and advocate the needs of the state to the respective boards as outlined by the executive and legislative branches
- Support the executive director and staff of the respective boards
- Maintain common course numbering across boards and institutions
- Maintain student transferability agreements across boards and institutions
- Administer state scholarship programs (including tribal scholarships)
- Serve as the administrator of federal grant monies to North Dakota colleges and universities when required by federal law, such as programs of the U.S. Department of Education and the National Science Foundation
- Manage State Authorization Reciprocity Agreements (SARA)
- Manage loan forgiveness programs for teachers and North Dakota residents in STEM fields
- Administer student exchange/reciprocity programs with WICHE States, Minnesota and Midwest student exchange for veterinary medicine, dentistry and optometry
- Administer student health insurance program
- Manage participation in the MHEC
- Manage the Challenge Fund program
- Administer data support and research support for the Department of Public Instruction
- Provide institutional data to the boards, state and federal entities (i.e. IPEDS) and for longitudinal studies
- Implement statewide higher education studies
- Administer the TIAA retirement plan
- Administer the tele-mental health services
- Administer the fraud hotline
- Administer the interactive video network
- Maintain a data warehouse
- License in-state higher education providers and provide assurance that out-of-state providers follow reciprocity agreements
- Prepare the consolidated financial reports

- Maintain Core Technology Services (CTS)
- Other tasks deemed necessary by governing boards, executive branch, legislative branch and higher education office.

In addition to the duties outlined above, the Higher Education Administrator would serve as the chair of the higher education advisory committee. The committee purpose, responsibilities and structure are defined in the following section.

Higher Education Advisory Committee

Structure of the Advisory Committee

The Higher Education Advisory Committee is comprised of representatives from the three governing boards overseeing the state institutions within North Dakota. The chair of each governing board would serve on the advisory committee as well as an additional representative appointed by the Community and Regional Institution Governing Board.

If the chair of the Community and Regional Institution Governing Board and the additional representative are both alumni of a North Dakota institution, the additional appointed member must have a degree from the opposite type of institution as the chair of the Community and Regional Institution Governing board. For example, if the chair holds an undergraduate degree from a four-year regional institution, the second appointed representative must have a degree from a two-year community college.

Purpose and Responsibilities of the Advisory Committee

The advisory committee would serve as an official collaboration and communication point for the three governing boards, outside of the organic partnerships and collaboration formed directly by the boards. The responsibilities of the advisory committee are as follows:

- Seek and advance efficiencies and shared service opportunities to all governing boards
- Assist the Higher Education Administrator in coordination of collaboration between boards
- Manage program petitions as defined below
- Other duties as assigned by the legislative and executive branches, as well as duties agreed upon by the representatives of the advisory committee

Program Petitions:

- To meet the education and economic needs of the state and region, an institution could propose a new program addition, cancelation or change, that would result in new majors. These proposed program changes must be submitted to their respective board for approval
- A simple majority of the individual governing board must approve the program for implementation

- Each public North Dakota institution can submit a protest petition to the board in which a program is being reviewed. The petition must be received within 30 calendar days of the first reading of the program to the governing board of the institution seeking program addition, cancelation or change.
- If a protest is delivered, each involved institution must first make a reasonable effort to design a plan for program collaboration. If all involved institutions are satisfied and the program is approved, then the protest is satisfied.
- If the protest is not satisfied and the program change is approved by the governing board, the approval moves to the Higher Education Advisory Committee. A program would be denied only if at least 3 of 5 members of the advisory committee vote no.

Removal of Board Members

The Task Force spent little time discussing the removal of board members, but it was suggested that a process for removal be considered. In addition to the current process, a second potential removal process is provided for consideration.

Two Forms of Removal Recommended

1. The members of the Community/Regional Institution Governing Board, NDSU Governing Board and UND Governing Board may be removed by impeachment for the offenses, in the manner and according to the procedure provided for the removal of the Governor by impeachment proceedings.
2. Additionally, should a board member in any of the three governing boards not fulfill the duties and responsibilities assigned to them through the Constitution, Century Code and internal policy, the Governor may recommend removal of said board member. Upon recommendation of removal from the Governor, the review committee, as defined in the *selection of voting members* section on page 17, must research the claims and vote within 30 days of the recommendation of approval or denial of the recommendation. If 4 out of 5 agree with the removal, the removal is finalized and takes effect immediately.

Conclusion and Next Steps

The Task Force on Higher Education Governance has provided a comprehensive framework to advance the higher education governance structure in North Dakota. This report serves as a framework for enhancing governance based on research, expert testimony and deliberation among representatives from all three branches of government, as well as faculty, students, business leaders and education experts.

The Task Force encourages the executive, legislative and judicial branches to work together to determine how these recommendations best fit within the North Dakota Constitution, the Century Code and/or internal higher education policy. Most notably the Task Force recommends maintaining that each board have full authority over the institutions under each boards control, as currently provided to the SBHE within the North Dakota Constitution.

The Task Force advances this report as a tool for the Governor and the 66th Legislative Assembly during the 2019 session to make positive changes for the future of North Dakota Higher Education. Lastly, this report should be utilized for detail, explanation and understanding when the people of North Dakota have an opportunity to vote on constitutional changes. The Task Force believes that these recommendations would improve the governance structure of North Dakota higher education, allowing it to serve as a nimble and effective structure for decades to come.

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APPENDIX A
Executive Order 2017-19, Task Force for Higher Education Governance



State of
North Dakota
Office of the Governor

Doug Burgum
Governor

Executive Order 2017-19

WHEREAS, it is critical to North Dakota's economic success that its institutions of higher education prepare individuals to be competitive in the workplace; and,

WHEREAS, building a workforce and an economy for the 21st century requires that North Dakota examine its existing approaches to higher education; and,

WHEREAS, North Dakota currently operates eleven institutions of higher education: two research universities, four regional universities and five community colleges; and,

WHEREAS, pursuant to a 1939 amendment to the North Dakota Constitution, governance of the eleven institutions rests with the State Board of Higher Education; and,

WHEREAS, over the last eight decades, North Dakota has experienced economic, social and demographic changes that have profoundly impacted the educational needs and demands on all institutions of higher education; and,

WHEREAS, Senate Bill 2003, enacted by the sixty-fifth legislative assembly, directs the State Board of Higher Education to conduct a limited study to reorganize the five community colleges, focused on the workforce and educational needs of the state; and,

WHEREAS, given the significance of higher education in North Dakota, it is important to understand whether the governance system is operating to its fullest potential, and whether strategic improvements would better serve the educational and workforce needs of our state; and,

WHEREAS, an evaluation of the governance structure of higher education in North Dakota, by an independent task force, will determine whether the collective system of higher education is operating at the highest level, furthering the educational and workforce needs of the state; and,

WHEREAS, the Governor is vested with executive authority pursuant to Article V, Section 1 of the North Dakota Constitution to convene groups dedicated to addressing issues of importance to the state.

NOW, THEREFORE, Doug Burgum, as Governor of the State of North Dakota, hereby establishes the Task Force for Higher Education Governance. The Task Force shall consist of 15 members, appointed by the Governor, representing the interests of the students, faculty, business community, and all branches of state government. The Governor shall designate the Chair of the Task Force.

- I. The Task Force for Higher Education Governance shall:
 - a. Assess the strengths and weaknesses of the current higher education governance structure and determine whether the current structure promotes optimal efficiency, effective operations, and desired results;

- b. Determine whether the current governance structure complies with Article VIII, Section 6 of the North Dakota Constitution;
 - c. Identify best practices for governance of a higher education system;
 - d. Provide written recommendations outlining proposed changes to the governance structure that promote effective operations and desired results, focused on educational and workforce needs of North Dakota in the 21st Century.
- I. The Task Force shall meet monthly or at the call of the Chair. A simple majority of the Task Force shall constitute a quorum for purposes of taking any official action.
- II. The Task Force may create working groups to consult with, and elicit, the expertise of educational leaders and North Dakota citizens.

The Governor is vested with executive authority to issue this Order pursuant to Article V, Section 1 of the North Dakota Constitution.

This Order is effective immediately, and it shall remain in effect until further notice.

Executed at Bismarck, North Dakota, this 7th day of November 2017.



Doug Burgum
Governor

ATTEST:



Secretary of State

Deputy

APPENDIX B

December 21, 2017, Office of the Governor Press Release for the Task Force for Higher
Education Governance



State of
North Dakota
Office of the Governor

Doug Burgum
Governor

NEWS: FOR IMMEDIATE RELEASE

Contact: Mike Nowatzki, 701.328.2424; Kelly Ivahnenko, 701.328.2937

Burgum appoints members to newly created Task Force for Higher Education Governance

BISMARCK, N.D. (Dec. 21, 2017) – Gov. Doug Burgum today announced the members of a task force that will evaluate the governance structure for North Dakota’s higher education system and determine if improvement opportunities exist to better meet the state’s educational and workforce needs for the 21st century.

The 15-member Task Force for Higher Education Governance was created by executive order last month and consists of the governor as chair and 14 members appointed by the governor. Burgum appointed the members from a pool of more than 230 applicants.

“We are incredibly grateful for the intense interest in serving on this Task Force, which demonstrates the passion North Dakotans feel toward their higher education system,” Burgum said. “This group represents a wide range of backgrounds and expertise that will ensure a thoughtful assessment of our nearly 80-year-old governance structure and whether the higher education system is operating at its full potential to prepare students for success in a world undergoing rapid technological disruption.”

The Task Force members are:

- Gov. Burgum, who earned a bachelor’s degree from North Dakota State University and a master’s of business administration (MBA) from Stanford Graduate School of Business.
- North Dakota Supreme Court Chief Justice Gerald VandeWalle, who under the state Constitution is a member of the State Board of Higher Education nominating committee. VandeWalle earned a bachelor’s degree from the University of North Dakota and a law degree from the UND School of Law.
- State Board of Higher Education Chairman Don Morton, a retired Microsoft executive and former head coach of the North Dakota State University football team. Morton earned a bachelor’s degree from Augustana College in Rock Island, Ill., and a master’s degree in education from Western Illinois University.
- State Sen. Brad Bekkedahl, a dentist from Williston and finance commissioner on the Williston City Commission since 1996. Bekkedahl earned bachelor’s degrees from the

University of Jamestown and University of Minnesota and a doctor of dental surgery degree from the University of Minnesota School of Dentistry.

- State Sen. Joan Heckaman, a retired teacher from New Rockford. Heckaman earned a bachelor's degree from Valley City State University and a master's degree in special education from Minot State University (MSU).
- State Rep. Mike Nathe, a funeral home owner from Bismarck and former chairman of the House Education Committee. Nathe earned a bachelor's degree in mortuary science from the University of Minnesota.
- State Rep. Shannon Roers Jones of Fargo, attorney for Roers Companies. Roers Jones earned a bachelor's degree from the College of St. Benedict in Collegeville, Minn., an MBA from the University of St. Thomas in St. Paul, Minn., and a law degree from the UND School of Law.
- Dr. Ellie Shockley, institutional research analyst at Bismarck State College and a former postdoctoral fellow at the University of Nebraska Public Policy Center. Shockley earned a bachelor's degree from Duke University and master's and doctoral degrees in social psychology from the University of Chicago.
- Dr. Paul Markel, professor of psychology at MSU and former president of the Council of College Faculties. Markel earned a bachelor's degree from the University of Mary in Bismarck and master's and doctoral degrees in psychology from the University of Colorado Boulder.
- Dr. Angie Koppang, vice president of quality assurance for AdvancED, a nonprofit that conducts reviews of educational institutions and systems. Koppang earned an associate's degree from BSC, a bachelor's degree from the University of Mary and a master's degree and doctoral degree in philosophy from UND.
- Jonathan Sickler of Grand Forks, chief legal officer for AE2S, an environmental and civil engineering consulting firm. Sickler earned a bachelor's degree from UND and a law degree from Harvard Law School.
- Tim Flakoll, provost of Tri-College University in Fargo-Moorhead, current chairman of the Midwestern Higher Education Compact and a former state senator. Flakoll earned bachelor's and master's degrees from NDSU and graduated from executive programs at Harvard Kennedy School of Executive Education and the University of Oxford in England.
- Thomas Erickson, CEO of the Energy & Environmental Research Center at UND. Erickson earned bachelor's and master's degrees in chemical engineering from UND.
- Jeffry Volk, president and CEO of West Fargo-based Moore Engineering Inc. Volk earned a bachelor's degree in civil engineering from NDSU.
- Katie Mastel of Bismarck, a marketing major and student body vice president at NDSU.

The Task Force has received broad support since Burgum announced it Nov. 7. The student senates at NDSU and UND recently passed resolutions supporting creation of the Task Force.

The governor is working with Task Force members to schedule the group's first meeting in January. Thereafter, the Task Force will meet monthly or at the call of the chair. The group will provide recommendations for the Legislature to consider during its 2019 session.

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APPENDIX C
January Higher Education Governance Task Force Meeting Materials

LEGISLATIVE HISTORY OF HIGHER EDUCATION GOVERNANCE IN NORTH DAKOTA

Senator Brad Bekkedahl
January 2018

Prepared by the Legislative Council Staff



AGENDA

1. **Constitutional basis for higher education governance**
2. **Ballot measures for constitutional and statutory amendments regarding higher education since statehood**
3. **Role of the Legislative Assembly and recent legislation governing the State Board of Higher Education and institutions under board control**
4. **University System and institution policies and procedures**

Prepared by the Legislative Council Staff



This presentation covers the main documents providing for the governance of the board and university system.

1889 CONSTITUTION

- The first state constitution adopted in 1889 placed governance of higher education under the “absolute control of the state.”
 - To fulfill that mandate, the Legislative Assembly created a Board of Education in 1913, and transformed it to a Board of Regents in 1915.
- The 1889 constitution required a school of forestry to be located in McHenry, Ward, Bottineau, or Rolette County, and educational institutions in Grand Forks, Fargo, Valley City, Mayville, Ellendale, and Wahpeton.

Prepared by the Legislative Council Staff



The State Board of Higher Education can trace its roots back to Article VIII of the state's first constitution, which placed the governance of higher education under the "absolute and exclusive control of the state." However, the 1889 constitution did not provide for a higher education governing body. The Legislative Assembly created a Board of Education in 1913 to consolidate governance over educational institutions.

Article XIX of the 1889 constitution required:

1. A “State University and School of Mines” in Grand Forks,
2. An “Agricultural College” in Fargo,
3. A normal school in Valley City,
4. A normal school in Mayville,
5. A “Scientific School” in Wahpeton,
6. A school of forestry to be located in McHenry, Ward, Bottineau, or Rolette County (the exact location to be determined by a vote of the electors of those counties), and
7. An “industrial school and school for manual training” or, in the discretion of the Legislative Assembly, another kind of educational or charitable institution in Ellendale.

In 1883, prior to statehood, the territorial Legislative Assembly established the University of North Dakota and a Board of Regents to govern it.

1910-1916 CONSTITUTIONAL AMENDMENTS

- Voters approved constitutional amendments requiring:
 - A state normal school in Minot (1910).
 - Placement of the state forestry school in Bottineau (1914).
 - A state normal school in Dickinson (1916).

Prepared by the Legislative Council Staff



1919 LEGISLATIVE CHANGES

- In 1919, the Legislative Assembly vested a new Board of Administration with governing authority over higher education. The members of the Board of Administration were:
 - The Superintendent of Public Instruction (ex officio),
 - The Commissioner of Agriculture and Labor (ex officio), and
 - Three individuals appointed by the Governor.
- The institution presidents were responsible to the board, and the Governor could remove board members for cause.

Prepared by the Legislative Council Staff



Following the elections of 1918, in which the Nonpartisan League candidate for Superintendent of Public Instruction was defeated, Governor Lynn Frazier, who was also a member of the Nonpartisan League, orchestrated the legislative creation of a new Board of Administration and assigned to it the functions of the Board of Education. (Chapter 71 of 1919 Session Laws) The newly elected Superintendent of Public Instruction and the Commissioner of Agriculture and Labor were made ex officio members of the Board of Administration. The three other members of the board were appointed by the Governor and had 6-year terms.

DEVELOPMENTS UNDER GOVERNOR LANGER

- In 1937, the Board of Administration fired seven faculty members at the North Dakota Agricultural College and the director of the Experiment Station and Extension Service.
- After a series of events, the college's accreditation was revoked.
- This led to a 1938 initiated measure for a constitutional measure to change the governance of higher education in the state.

Prepared by the Legislative Council Staff



1938 CONSTITUTIONAL AMENDMENT

- Voters approved the 1938 measure, which created the State Board of Higher Education, and:
 - Gave the new board the powers and duties of the Board of Administration.
 - Required institutions of higher education in Grand Forks, Fargo, Wahpeton, Valley City, Mayville, Minot, Dickinson, Ellendale, Bottineau, and allowed "other [institutions] as may hereafter be established."
 - Provided for a board with seven members appointed by the Governor with the consent of the Senate for 7-year terms.

Prepared by the Legislative Council Staff



The measure passed 93,156 to 71,448. It became Article 54 of the Constitution of North Dakota, and much of it remains intact today.

A handout of the article is included.

The provision naming the institutions has precluded consolidation or closure of institutions in the University System for 80 years. The one exception is the institution in Ellendale which was closed after the passage of an initiated measure removing it from the constitution in 1972.

Although the locations of the institutions in the constitution have remained unchanged (except for Ellendale), the names or missions of the institutions have changed over time despite being set out in the constitution. The language of the 1938 amendment identifying those names and missions was: "(1) The State University and School of Mines, at Grand Forks, with their substations. (2) The State Agricultural College and Experiment Station, at Fargo, with their substations. (3) The School of Science, at Wahpeton. (4) The State Normal Schools and Teachers Colleges, at Valley City, Mayville, Minot and Dickinson. (5) The Normal and Industrial School, at Ellendale. (6) The School of Forestry, at Bottineau. (7) And such other State institutions of higher education as may hereafter be established."

1938 CONSTITUTIONAL AMENDMENT CONT.

- Defined eligibility requirements for board members.
- Provided for nomination of potential appointees by state officials,
- Permitted impeachment of board members.
- Provided for compensation of board members.
- Required the Legislative Assembly to appropriate funds for the board in one bill.
- Required institution presidents to submit budgets to the board and required the board to revise and consolidate them into a unified budget for the Legislative Assembly.

Prepared by the Legislative Council Staff



Board members had to be qualified electors and taxpayers of ND and had to have resided in ND for at least 5 years immediately preceding their appointment. Employees of institutions under the control of the board were ineligible for board membership during their employment and for a period of 2 years after their employment. No more than one "alumnus or former student" from any institution under the board's control could sit on the board at any one time.

The President of the ND Educational Association, Chief Justice of the Supreme Court, and Superintendent of Public Instruction, sent the Governor a list of three names from which the Governor had to appoint a board member.

This amendment included the concept of a higher education system. The board was required to "revise the [budgets from the institutions] as in its judgment shall be for the best interests of the educational system of the State."

1938 CONSTITUTIONAL AMENDMENT CONT.

- Gave the board control over higher education funds but prohibited moving funds for one institution to another.
- Provided for a board-appointed "State Commissioner of Higher Education" with enumerated eligibility criteria to serve terms of not more than 3 years as the "Chief Executive Officer" of the board and to carry out all duties prescribed by the board.

Prepared by the Legislative Council Staff



The board could not take funds appropriated or otherwise provided to one institution and transfer them to another.

The constitutional amendment made the commissioner wholly responsible to the board with no oversight from the Governor or Legislative Assembly. The board was given the authority to appoint the commissioner, assign the commissioner's duties, and remove the commissioner for cause. The amendment also specifically designated the commissioner as the "Chief Executive Officer" of the board, indicating the commissioner was required to execute the will of the board.

A commissioner had to be "a graduate of some reputable college or university" and "by training and experience [be] familiar with the problems peculiar to higher education."

REJECTED 1956 CONSTITUTIONAL AMENDMENT

- In 1956, voters rejected a measure for a constitutional amendment to establish a trade school in Williston.

Prepared by the Legislative Council Staff



1964 CONSTITUTIONAL AMENDMENT

- In 1964, voters approved a constitutional amendment allowing the Experimental Station and the NDSU Extension Division to submit separate budgets to the Legislative Assembly.
 - Voters had rejected this amendment in 1962 by a narrow margin.

Prepared by the Legislative Council Staff



1968 CONSTITUTIONAL AMENDMENT

- In 1968, voters approved a constitutional amendment allowing the Legislative Assembly to authorize tuition, fees, and services charges for institutions of higher education.

Prepared by the Legislative Council Staff



1976 CONSTITUTIONAL AMENDMENT

- In 1976, voters approved a constitutional amendment changing the qualifications and compensation of Board of Higher Education members.
 - Compensation was changed from a set dollar amount to an amount “determined by the Legislative Assembly for the time actually spent devoted to the duties of [the] office.”
 - Before the amendment, no more than one “alumnus or former student” of any one institution under board control could serve on the board at a time. The amendment changed “alumnus or former student” to “graduate.”

Prepared by the Legislative Council Staff



Reimbursement for state officials' expenses is set by statute. This amendment tied board members' reimbursement to those statutes.

The change to “graduate” made it possible to appoint board members who graduated from different schools even if they attended the same school for a portion of their educational careers. For example, someone who attended UND but graduated from NDSU could serve on the board alongside someone who graduated from UND.

1978 REFERENDUM

- In 1978, voters approved a referred statutory measure allowing the board to sell land owned by the Dickinson Experiment Station and to buy replacement land. This did not require a constitutional amendment.

Prepared by the Legislative Council Staff



REJECTED 1982 CONSTITUTIONAL AMENDMENT

- In 1982, voters rejected a measure for a constitutional amendment that would have replaced the President of the North Dakota Education Association with the Speaker of the House on the nominating committee that sends three names to the Governor when the Governor needs to appoint a new member of the board.

Prepared by the Legislative Council Staff



1983 SB NO. 2073 AND REJECTED 1984 STATUTORY AMENDMENT

- 1983 SB No. 2073 placed the “junior colleges” in Bismarck, Devils Lake, and Williston under the control of the State Board of Higher Education.
- In 1984, voters rejected a measure that would have returned those institutions to local school board control.

Prepared by the Legislative Council Staff



The state constitution does not address these institutions.

REJECTED 1988 CONSTITUTIONAL AMENDMENT

- In 1988, voters rejected a measure for a constitutional amendment that would have cleaned up constitutional language and changed the membership and powers of the board.
- The amendment would have:
 - Removed the prohibition on having two or more graduates of the same institution serve on the board.
 - Removed the requirement that the board's secretary reside in Bismarck.
 - Granted the Legislative Assembly authority to permit flexibility in how the higher education budget is submitted.
 - Eliminated the eligibility criteria for the commissioner.

Prepared by the Legislative Council Staff



REJECTED 1990 CONSTITUTIONAL AMENDMENT

- In 1990, voters rejected a measure for a constitutional amendment that would have defined “graduate” for purposes of the 1976 constitutional amendment as a “person who has received a baccalaureate degree” only.

Prepared by the Legislative Council Staff



1994 CONSTITUTIONAL AMENDMENT

- In 1994, voters approved a constitutional amendment providing for a Governor-appointed student member of the board.
 - The appointee must be a full-time student in good academic standing at an institution under board control and may serve no more than 2 terms of 1 year each.
 - The appointment must be made from a list recommended by the executive board of the North Dakota Student Association and is not subject to Senate confirmation.
 - The student member may be employed by an institution under board control and is exempt from the "one graduate" rule.
 - This amendment created an eight-member board and the possibility of tie votes.

Prepared by the Legislative Council Staff



1996 CONSTITUTIONAL AMENDMENT

- In 1996, voters approved a constitutional amendment:
 - Reducing board members' terms from 7 to 4 years and imposing a 2-term limit.
 - Changing the "one graduate" rule to read "no more than one person holding a bachelor's degree from a particular institution under [board control]" may serve at any one time.
 - Changing the nominating process and committee.

Prepared by the Legislative Council Staff



Before the amendment, the nominating committee was the President of the ND Educational Association, the Chief Justice, and the Superintendent of Public Instruction. They had to unanimously agree on the three names they sent to the Governor for possible appointment to the board any time there was an opening on the board.

After the amendment, the nominating committee grew to five members. The original three members were retained, and the President Pro Tempore of the Senate and the Speaker of the House of Representatives were added. The amendment also removed the requirement for unanimity. It required four of the five members to agree on a list of three names to send to the Governor for possible appointment to the board whenever there was an opening on the board.

The amendment also said the Governor had to "ensure that the board membership is maintained in a balanced and representative manner" but did not specify what that phrase means.

REJECTED 1998 CONSTITUTIONAL AMENDMENT

- In 1998, voters rejected a measure for a constitutional amendment that would have removed the lists of higher education institutions thereby allowing those institutions to be consolidated or closed.

Prepared by the Legislative Council Staff



2000 CONSTITUTIONAL AMENDMENT

- In 2000, voters approved a constitutional amendment that allows two members with bachelor's degrees from the same institution under board control to serve together on the board.

Prepared by the Legislative Council Staff



REJECTED 2014 CONSTITUTIONAL AMENDMENT

- In 2014, voters rejected a measure that would have amended the constitution to replace the board with a three-member commission appointed by the Governor.
- The measure would have required the 11 institutions under board control to remain in place, and would have allowed the Legislative Assembly to provide for an advisory body including faculty and student representatives.

Prepared by the Legislative Council Staff



Under the proposed amendment, the Governor would have selected each commission member from a list of three nominees agreed to by the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Chief Justice of the Supreme Court, the Superintendent of Public Instruction, and a “representative of an educational interest group selected by three of the four [other nominators].”

The Governor’s appointments would have been subject to Senate confirmation, as they are now.

The amendment would have authorized the Legislative Assembly to provide for the appointment of an advisory board including a faculty representative and a student representative.

The president of each institution would have reported to the commission.

One member of the commission would have been required to have “leadership experience” in the private sector and another member would have been required to “hold a professional position within the higher education sector.”

ROLE OF THE LEGISLATIVE ASSEMBLY

- The Legislative Assembly passes a higher education appropriations bill each session.
 - The bill appropriates funds for the board, system office, and institutions.
- Other legislation regarding higher education generally is codified in Title 15 of the Century Code.
 - Chapter 15-10 governs the State Board of Higher Education, but sections in other chapters also regulate the board (e.g., Sections 15-62.4-01 through 16-62.4-05)
- Section 15-10-01.2 states the institutions under board control “are a unified system of higher education, as established by the board, and are designated as the North Dakota University System.”

Prepared by the Legislative Council Staff



The appropriations bill is either House Bill No. 1003 or Senate Bill No. 2003, with the introduction alternating each session between the House and Senate.

Many statutes throughout the Century Code and Title 15 in particular govern the board and the institutions under board control. Sections 15-62.4-01 through 15-62.4-05, which pertain to student financial aid are only some examples.

The State Board of Higher Education website states: “In 1990, the Board established a unified system of higher education...”

The quoted language in section 15-10-01.2 was codified in another section of the Century Code in 2001. The legislative history shows the bill was supported by the State Board of Higher Education, the chancellor, and the Greater North Dakota Association. Testimony from the board said the colleges and universities operated largely autonomously prior to 1990 but “the potential for unnecessary duplication of programs and services became a concern of citizens and legislators,” leading to the board’s creation of the unified university system in 1990.

EXAMPLES OF RECENTLY ENACTED LEGISLATION

- 2011 HB No. 1213 provided for a staff senate appointee to serve as a nonvoting board advisor
- 2011 SB No. 2323 required the board to provide periodic variance reports to OMB for certain construction projects
- 2013 HB No. 1258 adjusted eligibility criteria for North Dakota Academic Scholarships

Prepared by the Legislative Council Staff



These are just a few of the many laws regarding higher education introduced or enacted in recent years.

Additionally, federal law governs some aspects of higher education such as sexual assault reporting, student information privacy, sex equality under Title IX, and other issues.

2011 SB No. 2323 required the variance reports for construction, renovation, and repaid projects valued at more than \$250,000 on campuses of institutions under board control.

EXAMPLES OF RECENTLY ENACTED LEGISLATION CONT.

- 2015 HB No. 1051 required a systemwide email system and retention policy for all institutions under board control.
- 2017 SB No. 2295 made university research records exempt from open records requirements and made personally identifiable study information confidential to the extent it was not confidential already.

Prepared by the Legislative Council Staff



“University research records” are “data and records, other than a financial or administrative record, produced or collected by or for faculty or staff of an institution under the control of the state board of higher education in the conduct of or as a result of study or research on an educational, commercial, scientific, artistic, technical, or scholarly issue, regardless of whether the study or research was sponsored by the institution alone, or in conjunction with a governmental or private entity, provided the information has not been publicly released, published, or patented.”

“Personally identifiable study information” generally is information about an individual participating in an Institutional Review Board approved or exempted human research study or project at an institution under board control.

INTERNAL UNIVERSITY SYSTEM GOVERNANCE DOCUMENTS

- The board is not an administrative agency and does not adopt rules. Instead, it approves policies that apply to the University System office and institutions under its control.
 - Policies are presented to the board and are passed with a majority vote.
- The University System office develops procedures to implement some board policies. Procedures are not submitted to the board for approval.

Prepared by the Legislative Council Staff



The board is specifically excluded from the definition of “administrative agency” under the Administrative Agencies Practices Act (Chapter 28-32 of the Century Code), which governs administrative rulemaking.

Policies generally are drafted by the University System office staff. A general review or rewrite of the policies has not been completed in many years.

INTERNAL UNIVERSITY SYSTEM GOVERNANCE DOCUMENTS

- Several institutions under board control adopt their own policies and procedures that vary in size and scope.
 - If there is a conflict between board and institution policies, the board policy generally trumps the institution policy under the constitution.

Prepared by the Legislative Council Staff



History of the North Dakota University System 1938-2003; Higher Education Governance Models in the United States; and Best Recommended Governance Practices

Presentation to Governor Burgum's
Task Force on Higher Education

January 12, 2018

Larry A. Isaak
President, Midwestern Higher
Education Compact, and
NDUS Chancellor Emeritus

1



Section I: HISTORY OF NDUS

2



1938 Constitutional Amendment

- Initiated measure of the citizens
- Response to political intrusion
 - NDSU President and staff fired
 - Loss of accreditation at NDSU
- State Board of Higher Education (SBHE) created...one governing board
- SBHE given broad authority/responsibility

3



Key Provisions of Constitution Article

- SBHE “created for control and administration of the institutions”
- Governor appoints board members
- Beginning of a unified system
 - Constitutional provision requiring SBHE to submit a unified budget is an early reference to “unified” as it applies to higher education

4



Key provisions (cont.)

- “The SBHE shall have the control of the expenditure of the funds belonging to, and allocated to such institutions and also those appropriated by the legislature, for the institutions of higher education in the state; provided, however, that funds appropriated by the legislature and specifically designated for any one or more of such institutions, shall not be used for any other institution”

5



Key provisions (cont.)

- “The Legislature shall provide adequate funds for the proper carrying out of the functions and duties of the SBHE”
- “The SBHE shall have full authority over the institutions under its control....”
- “The SBHE shall have full authority to organize or reorganize within constitutional and statutory limitations, the work of each institution under its control....”

6



1939-1990

- 8 state institutions until 1984
- 7 board members serving 7 year terms
- Usually one board member from each campus region
- Board members were designated as campus “liaisons”
- Individual campus agendas dominate board agenda

7



1939-1990 (continued)

- Board focused on regulation of campuses(examples)
 - Approve hiring and salaries of deans and above
 - Heavy construction oversight:
 - Board approves architects, designs and contractors
 - Board office approves all change orders
 - Budget detail, detail
 - All employment actions for every position approved by board office
 - Focus is on separate campus agendas and less on state public agenda

8 8



1939-1990 (continued)

- However, there are some steps in evolution of system:
 - Starting in late 60's, all campus budget requests are based on a formula primarily based on credit hour production (workload)
 - Establishment of Higher Education Computer Network (HECN) in late 70's
 - Establishment of statewide library system in 80's (ODIN). All campuses except NDSU.
 - In mid 80's board begins submitting prioritized capital construction budget request encompassing all campuses
 - Statewide interactive video network begins in late 80's

9



1939-90 (continued)

- In 1984 the Legislature and vote of people place 3 additional two-year campuses under board governance
 - No more one board member per campus
 - New issues emerge
 - Collaboration
 - Different campus missions more evident
 - Went from 6 four year campuses, one two-year campus and one branch campus, to 6 four year campuses and five two year campuses

10



1939-90 (continued)

- 1983-84 legislative study of higher education budgeting:
 - Committee develops separate input formulas for:
 - Instruction (based on credit hour production/workload)
 - Student services
 - Academic Support
 - Institutional Support/administration
 - Physical plant operations
 - Physical plant repairs

11



1939-90 (continued)

- 1986... first Bush Foundation study of higher education in ND.

Recommendations:

 - Create a cohesive system
 - Shared vision for higher education needed
 - Link higher ed. to economic development
 - Board should focus on long-range planning
 - Create higher education centers
 - Flexible funding needed
 - Build coalitions

12



1939-1990 (continued)

- State University of North Dakota (SUND) created by Board in mid 80's in attempt to respond to Bush Foundation study
- However, 1987 legislature gives “university” status to four campuses and renames them, and makes community college in Devils lake a branch of UND. Result is undoing of SUND
- In late 80's legislature enacts law requiring board to develop six year plans in line with earlier Bush Foundation study recommendations

13



1939-90 (continued)

- During 1981-90 there are several interim reductions of appropriations because of state revenue shortfalls creating recurrent financial uncertainty
- In 1980s, board challenges in court the governor's authority to impose mid-biennium reductions, (allotments), based on board's constitutional authority to manage appropriated funds belonging to the board, even though the board plans to voluntarily comply. Case is not resolved as governor writes a letter requesting the board to make the reductions.
- By early 1990, the budget formulas adopted in 1984 are not adhered to because of low state revenues

14



December 1989

- Voters reject tax increases
- Major confidence and financial crisis
- Board holds meetings on creating a “true state system” as recommended in 1986 Bush Foundation study
- Supported publicly by many legislators and governor
- Policy makers frustrated with no clear focused agenda and spokesperson

15



1990 Board creates NDUS

- Policies defined on role of board, chancellor, presidents
- From Commissioner to Chancellor
- Presidents now report directly to chancellor, instead of to the board through the commissioner (more on this later)
- Board retains presidential hiring and firing final authority, but requires chancellor to make recommendations
- More responsibility given to presidents to manage institutional affairs
- New administrative and reporting systems recommended (seed of Connect ND)
- Collaboration on academic and administrative issues is stressed

16



Why the System was created

- Board recognized that ND higher education is comprised of very diverse campuses and there was growing concern among policy makers about the need for a focused, coordinated, and collaborative higher education enterprise and for creating a public agenda for higher education
- Board believed that institutional diversity was a strength that can bring value to all North Dakota citizens through collaboration when needed and when it makes sense
- The system was created to use the diverse collective capacity of the campuses to serve citizens wherever they lived and provide administrative efficiency where it makes sense. i.e. nursing program, workforce training, technology, on-line programs, payroll, library system, purchasing, skills training center.
- The system was not created to make campuses “look alike”.

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Why System was created (cont.)

- Board recognized that a system of diverse campuses is also major challenge requiring different approaches, policies, time and attention of board
 - Size (from 400 students to over 12,000 students)
 - Location (Small town to small cities)
 - Missions
 - Students
 - Focus was on collaboration, not regulation

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October 1990-June 1994

- Significant early turnover of NDUS leadership until 1994:
 - UND President Clifford is appointed chancellor from Oct. 1990-June 1991 (9 months)
 - New chancellor from July 1991-Feb. 1994 (32 months)
 - Several long-term presidents retire
 - Co-interim chancellors from Feb-June 1994
 - July 1994 Board appoints chancellor who serves nearly ten years

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1991-1999

- Board member terms reduced from 7 to 4 years
- Student member becomes a voting member
- Legislature creates non-voting faculty representative to board
- Legislature and governor continue push for “focused” state higher education policy agenda

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1991-99 (continued)

- Atmosphere of collaboration and consistency takes hold:
 - More collaborative academic programs implemented
 - i.e. Joint nursing program among two year institutions
 - Common course numbering system implemented
 - Interactive video network expands many programs from campus to campus sites.
 - Board creates College Tech. Ed. Council (CTEC)
 - Major workforce training effort begins in late 1990's
 - Skills Training Center established in Fargo

21



1991-99 (continued)

- Atmosphere of collaboration and consistency takes hold (cont.):
 - Board engages in major effort to focus campus missions by creating “principal participating institutions” to focus diverse campus missions to better serve all of North Dakota
 - Board eliminates/streamlines many administrative policies
 - Board establishes presidential goal and evaluation process
 - NDUS is codified in statute

22



1991-1999 (continued)

- Second Bush Foundation governance study in 1996-97
 - Board needs to elevate its role...enhance its leadership position...develop a public agenda
 - Board appointments process should change
 - Legislature should ensure oversight is focused on major policy items
 - Resolve number of institutions issue
 - Need better information infrastructure for decision making
 - Use collective resources to serve all of ND
 - Empower campus leaders
 - Change budget structure

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1991-99 (continued)

- 1998-voters reject constitutional amendment to remove campus names, locations and mission

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1999-2003

- As a result of major changes, the Bush Foundation study, continuing ambiguity about the roles of the Governor, Legislature and Board, and the 1998 vote the Legislature in 1999 creates the Higher Education Roundtable.
- Roundtable recommendations result in major laws and policy changes:
 - Board and legislature embrace roundtable recommendations
 - Recommits to unified system
 - Lump sum campus budgets
 - Accountability reporting defined
 - Board charged with helping define and connect to a public agenda

25



1999-2003 (continued)

- Major laws and policies change (cont.)
 - Board given authority to set tuition
 - Legislature makes Lake Region and Williston independent campuses (no longer UND branches)
 - Board charged with developing new finance plan
 - Peer funding model developed
 - Board and campus alignment planning process tied to Roundtable goals (replaces six year planning process)
 - New System vision and mission statements developed (“The NDUS is the vital link to a brighter future”)

26



1999-2003 (continued)

- Major laws and policies change (cont.)
 - Board reviews policies that are “barriers” for campuses
 - 2002 annual accountability report to the legislature begins
 - In 2003, Board again defines roles and responsibilities and system core values
 - Centers of Excellence established

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Section II: HIGHER EDUCATION GOVERNANCE IN THE UNITED STATES

28



Higher Education Governance (cont.)

- Examples of extensive constitutional autonomy:
 - University of California System
 - California State University System
 - University of Minnesota and its branch campuses
 - Michigan institutions

Source: Hutchens, N. H. (2010). Preserving the independence of public higher education: An examination of state constitutional autonomy provisions for public colleges and universities. *Journal of College and University Law*, 1-30; and State Constitutional Provisions and Higher Education Governance, *Midwestern Higher Education Compact*, May 2013

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Higher Education Governance (cont.)

- Examples of moderate-limited, varying degrees of constitutional autonomy:
 - Idaho, Louisiana, Montana, Nevada, New Mexico, North Dakota, Oklahoma, Kansas
- Examples of constitutional autonomy subject to extensive legislative control:
 - Nebraska, South Dakota

Source: Hutchens, N. H. (2010). Preserving the independence of public higher education: An examination of state constitutional autonomy provisions for public colleges and universities. *Journal of College and University Law*, 1-30; and State Constitutional Provisions and Higher Education Governance, *Midwestern Higher Education Compact*, May 2013

30



Higher Education Governance (cont.)

- Examples of low level of or no constitutional autonomy:
 - Arizona, Colorado, Missouri, Utah, Florida, Georgia, Alabama, Alaska, Hawaii, Mississippi, Wisconsin, Minnesota State Colleges and Universities, Ohio, Indiana

Source: Hutchens, N. H. (2010). Preserving the independence of public higher education: An examination of state constitutional autonomy provisions for public colleges and universities. *Journal of College and University Law*, 1-30; and *State Constitutional Provisions and Higher Education Governance*, Midwestern Higher Education Compact, May 2013

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Higher Education Governance (cont.)

- State approaches to governance:
 - Consolidated Governing Board.
 - Broad authority over finances, degrees, personnel, property. Authority over a state's system of public higher education.
 - 23 states have consolidated governing boards.
 - 9 states have one board overseeing all public institutions
 - 14 states have two boards to split authority between two and four year institutions

Source: *State Constitutional Provisions and Higher Education Governance*, Midwestern Higher Education Compact, May 2013

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Higher Education Governance (cont.)

- Coordinating Boards work alongside governing boards:
 - These boards do not govern institutions
 - Many approve institution programs, submit budget requests to the governor and legislature, or may make recommendations on institutional budget requests.
 - Some may allocate lump sum appropriations from legislature, recommend tuition and fee levels, and/or develop statewide articulation and transfer agreements
 - Most are responsible for statewide strategic planning and information gathering and reporting
 - Several administer state financial aid programs, state approval process for out-state institutions and other functions.
 - Generally, states with coordinating boards have separate governing boards for each institution, (four year institutions and comm. colleges)
 - 24 states have coordinating boards

Source: State Constitutional Provisions and Higher Education Governance, Midwestern Higher Education Compact, May 2013

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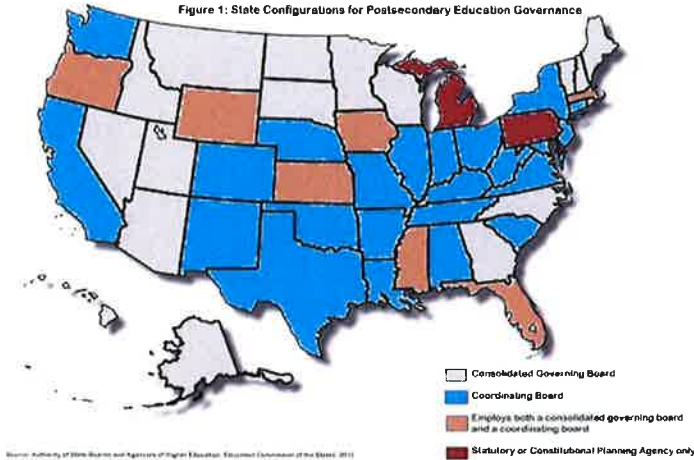
Higher Education Governance (cont.)

- One state (Michigan) has no state coordinating board or state governing board
 - All four year institutions and community colleges have individual governing boards.
 - There is an independent non- profit President's Council comprised of four year institutional presidents, and a community college association

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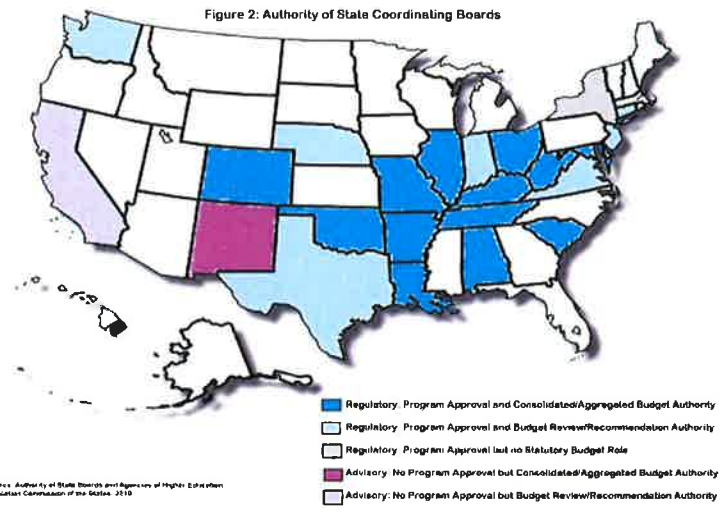
Higher Education Governance (cont.)



35



Higher Education Governance (cont.)



36



Section III: GOVERNANCE OBSERVATIONS

37



Higher Education Governance (cont.)

- Association of Governing Boards (AGB) Report: Consequential Boards: Adding Value Where it Matters Most (2014), makes seven recommendations for boards:
 1. Boards must improve value in their institutions and lead a restoration of public trust in higher education itself.
 2. Boards must add value to institutional leadership decision making by focusing on their role as institutional fiduciaries.
 3. Boards must act to ensure the long-term sustainability of their institutions by addressing changed finances and the imperative to deliver high quality education at a lower cost.

38



Higher Education Governance (cont.)

- AGB recommendations (cont.)
 4. Boards must improve shared governance within their institutions through attention to board-president relationships and a reinvigoration of faculty shared governance
 - (All boards and presidents should have clear understanding of the respective roles and responsibilities.)
 5. Boards must improve their own capacity and functionality through increased attention to the qualifications and recruitment of members, board orientation, committee composition and removal of members for cause.

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Higher Education Governance (cont.)

- AGB recommendations (cont.)
 6. Boards must focus their time on issues of greatest consequence to the institution by reducing time spent reviewing routine reports and redirecting attention to cross-cutting and strategic issues not addressed elsewhere.
 7. Boards must hold themselves accountable for their own performance by modeling the same behaviors and performance they expect from others in their institution(s)

40



Governance Observations: General Attributes of Successful Systems

- Governing board is focused on state policy issues and developing public agenda
- Governing Board is charting system and institutions' paths
- System and institutions are flexible and responsive to changing conditions that present opportunities
- Governing Board maintains its independence and is a safeguard to political and special interest intrusion

41



Governance Observations: General Attributes of Successful Systems

- Successful systems are based on structure and, as importantly, on relationships:
 - Clear and unambiguous reporting relationships are defined by the board (More on this later)
 - Open communication and input from Board, system CEO, campus CEO's, employees, students
 - Confidence of and communication with governor, legislative and business leaders is critical
 - Significant coalition building both internally and externally

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Governance Observations: General Attributes of Successful Systems

- Governing board provides leadership to create and communicate expectations and desired results
- The board(s), governor and legislature meet regularly to come to an understanding of respective roles
- Entire enterprise is student focused plus focused on enhancing the economic and social vitality of the state

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Section IV: BEST RECOMMENDED PRACTICES

44



Best Recommended Practices State/System Governing Boards

- State/system governing boards vs. separate institution boards:
 - A state/system governing board is common in small to medium populated states like ND, Montana, Utah, South Dakota, Kansas, Iowa, Minnesota, Wisconsin, Nevada, Arizona
 - In 2014 the ND citizens voted to keep their governance structure

45



Best Recommended Practices (cont.)

- Definition 1: Three components of authority:
 - Governance
 - Policy
 - Management
- Definition 2:
 - “System”: The system is comprised of institutions which are comprised of students. The system is not the system office and/or the board. The system office is part of the system, it is not apart from the system.

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Best Recommended Practices (cont.)

- **Governors and Legislatures:**
 - Ensure boards fulfill and comply with state law, the constitution and their (the board's) fiduciary responsibility
 - Ensure governors and legislatures comply with state law and constitution regarding higher education
 - Maintain and enact formal ways for collaboration with boards to pursue agreed upon ways in which the system can:
 - Meet state needs for qualified workforce, relevant research and civic and cultural needs
 - Meet other defined state goals

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Best Recommended Practices (cont.)

- **Governors and Legislatures:**
 - Appropriate adequate funds (stated in the constitution as it applies to ND)
 - Target some level of appropriations (examples)
 - Institutional incentives for completion based on need for a more highly educated workforce.
 - Link state financial aid grants to requirements for student completion (Indiana)
 - Target some measure of appropriations to specific state goals tied to major economic sectors (STEM workforce, energy workforce, agricultural workforce, healthcare workforce, others)

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Best Recommended Practices (cont.)

- Governors and Legislatures:
- Oversight: Define expectations for accountability measures along with the board. Get agreement among the governor, board, legislature. This strengthens institutions ability to deliver and should eliminate excessive reporting requirements
 - Limit to no more than ten measures.
 - Focus on big goals, not regulation
- If enacting tuition policy, the discussion encompasses all finance sectors...institution costs, financial aid, program costs, state appropriations.

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Best Recommended Practices (cont.)

- Governors/Legislatures:
 - Provide adequate support for Boards to effectively carry out their role.
 - Ensure seamlessness between K-12 and higher education such as requiring reporting systems between the two sectors that inform on student success
 - Expect long term financial plan for the system
 - Expect long term capital plans for the system

50



Best Recommended Practices (cont.)

- Boards:
 - Because of its constitutional status in ND, the board has primary responsibility for the success of the system and the system institutions.
 - Successful systems are comprised of successful institutions

51



Best Recommended Practices (cont.)

- Boards: Three major roles
 - Identify key needs of state and its citizens (the public agenda) utilizing institutions to collectively respond
 - Govern the institutions
 - Buffer/safeguard to political and special interest influence/intrusion

52



Best Recommended Practices

- Boards should establish the “what” is to be accomplished and “whether” it is being accomplished
- Boards delegate to system and campus leadership the “how” things are accomplished

53



Best Recommended Practices

- Boards define clear and unambiguous roles, responsibilities and employment conditions for system CEO, and, for campus CEOs unless delegated to system CEO
 - The structure works best when board actions follow their own policies on these roles

54



Defining Reporting Relationship (cont.)

Current SBHE policy

- Current SBHE policy states:
 - that the Chancellor serves as the CEO of the Board and the NDUS.
 - *“The president reports and is responsible to the Chancellor for all matters concerning the institution....”*
 - The Chancellor makes recommendations to the board on presidents' appointments, compensation and other terms of employment
 - The Chancellor evaluates president's performance
 - The Chancellor *“serves as the channel of communication between the Board and all subordinate administrative officers and personnel including presidents”, and “directs the activities of the presidents in a manner which promotes the general welfare of the NDUS while, at the same time, ensuring support for the approved mission of each institution”*

55



Defining Reporting Relationships

Current SBHE Policy (cont.)

- SBHE adopts Roles and Responsibilities Report in January 2015. (Board states that these are not board policies)
- Adopted Report States:
 - *“The Chancellor is the CEO of the University System”*
 - *“The presidents work for the Board. However, through various policies the Board delegates authority to the Chancellor....”*
 - (This may leave the question of who the presidents report to open to interpretation since board policy says the presidents report to the chancellor, and this report says they “work” for the board.)

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Defining Reporting Relationships Current SBHE Policy (cont.)

– The 2015 SBHE report also states:

- *“The most common channel of communication with the Board is through the Chancellor to the Board”; and*
- *“Any president who would like to brief the board on an item can request to have time on the Board agenda to do so; however, items requiring Board action must be coordinated with the chancellor”.*

(This appears to provide that presidents can discuss matters with the board at Board meetings without informing the chancellor. Does this create any misunderstanding with board policy or does it clarify board policy which states: The Chancellor *“serves as the channel of communication between the Board and all subordinate administrative officers and personnel including presidents”, and “directs the activities of the presidents in a manner which promotes the general welfare of the NDUS while, at the same time, ensuring support for the approved mission of each institution”*)

57



Defining Reporting Relationships Current SBHE Policy (Cont.)

- The 2015 report adopted by the SBHE states in conclusion that *“major revisions to policies are required to streamline operations, define delegated authorities, and eliminate conflicting requirements”*

58



Best Recommended Practices (cont.)

- Boards:
 - Responsible for strategic planning for system and individual institutions
 - Monitor institutional performance against institutional strategic plans
 - Define clear institutional missions, and expect institutional plans consistent with mission and state priorities
 - Define accountability measures for campuses (this is different than defining accountability measures for the system which was discussed earlier)

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Best Recommended Practices

- Boards:
 - To help institutions be successful, boards ensure that institutions have leadership, mission, infrastructure, policy, resources, and independence from political and special interests
 - Multi-campus systems can be very diverse in size and mission. Therefore, boards should understand and nurture the unique attributes that become the institutions' strengths
 - Oversee that educational quality is being delivered:
 - Understand accreditation
 - Ensure institutions are complying with accreditation
 - New academic program approval should undergo rigorous review and be performed in the context of all programs in the system. Consider a review of all programs over five years to determine relevancy and financial feasibility

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Best Recommended Practices

- Boards:
 - Develop budget requests to the governor/legislature
 - Establish tuition and fee policies
 - Establish budget polices for institution budget execution
 - Develop capital plans and policies (Institutions manage capital projects within board policy)

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Best Recommended Practices

- Boards
 - Review all policies and reporting requirements regularly to determine where policies and reports can be eliminated, streamlined or where new policies are necessary. (The same could be done by governors and legislatures with state statutes and reporting requirements.)
 - Regularly review student, faculty and employee governance at campuses to ensure there is an avenue to gather factual and relevant information about institutional policy and other issues.

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Best Recommended Practices

- Boards:
 - Develop human resource policies (Institutions are responsible for human resource management within board policy)
 - Review system and institutional plans for long term financial sustainability
 - Review long-term enrollment and demographic trends and enrollment plans of institutions
 - Monitor compliance with board policies and laws
 - Audit function
 - Fiduciary responsibility

63



Best Recommended Practices

- Boards:
 - Boards have a legal fiduciary responsibility for the system and each institution (This is a very important role that boards sometime do not give enough attention). The board should have in-depth training and understanding of this role. This encompasses policies on conflicts of interest, facilitating open discussion, risk assessment, roles of an individual board member vs. that of the board as a whole, confidentiality, disciplining board members, and maintaining independence from political or special interest influence.

64



Best Recommended Practices

- **Boards:**
 - Public boards are a buffer/safeguard for the institutions they govern to political and special interest influence/intrusion. This role is important to protect the academic integrity for the institution's students and faculty, and to fulfill the board's statutory/constitutional obligations.
 - This is a difficult role at times but it is a board's job even though it is difficult.
 - Effective communication with state leaders is key to carrying out this role effectively. But, it should not deter a board from doing what they believe is right and in the best interest of academic integrity for the faculty and students, and as required by their statutory/constitutional obligation.

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Best Recommended Practices

- **Boards**
 - Boards and system CEOs have effective and experienced staff advising them on academic and financial/administrative affairs who have credibility, experience and comparable standing with campus peers
 - Boards have frequent professional development on good governance practices and fiduciary responsibility requirements
 - Professional development is also important on a board's role in strategic planning, academic programs, budgeting, etc.
 - Boards should initiate annual meeting with governor and legislative leaders to understand and agree on state and system goals
 - Boards have a regular evaluation conducted of the board

66



Questions

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APPENDIX D
February Higher Education Governance Task Force Meeting Materials

Pathway to Impact

HIGHER IMPACT BOARDS

PAT TRAYNOR FEBRUARY 21, 2018

1

Helping Nonprofits Produce Outstanding Results

PARTNERING FOUNDATIONS

DMF DAKOTA MEDICAL FOUNDATION

+ ALEX STERN FAMILY FOUNDATION

2

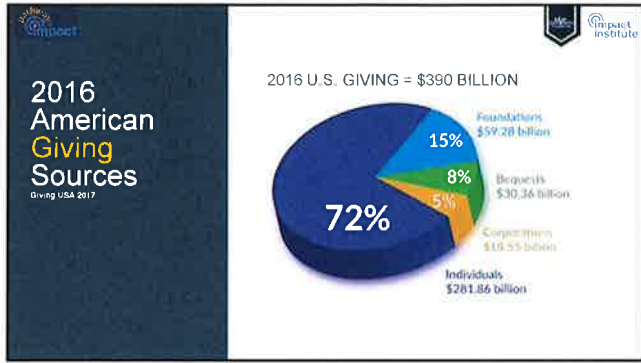
NUMBER OF PUBLIC CHARITIES IN THE U.S.

3,440 Public charities in North Dakota

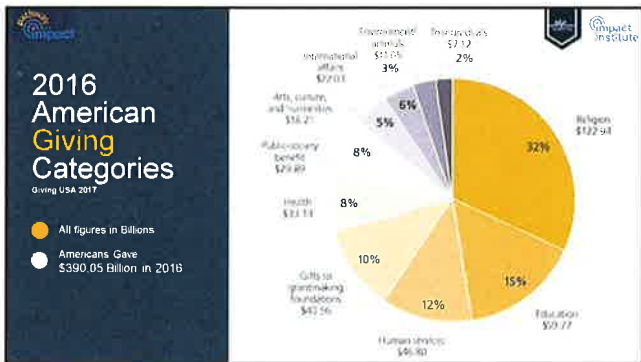
20,636 Public charities in Minnesota

1.1 million

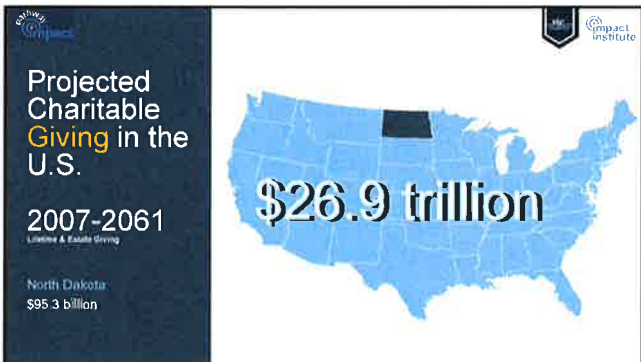
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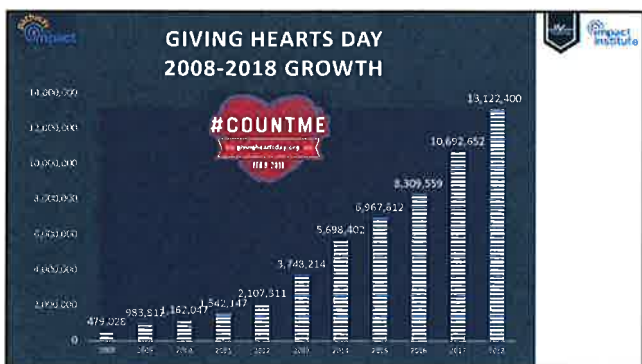
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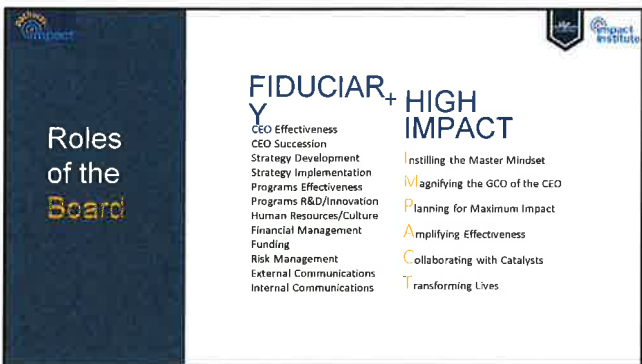
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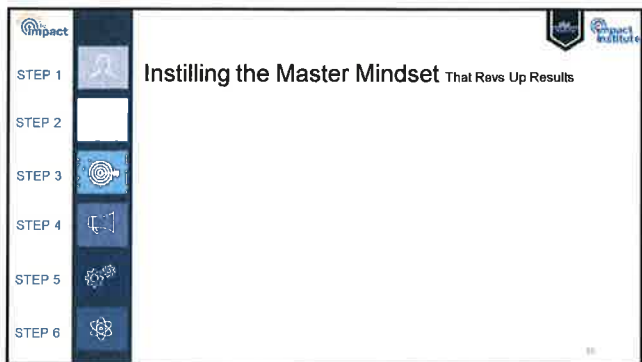
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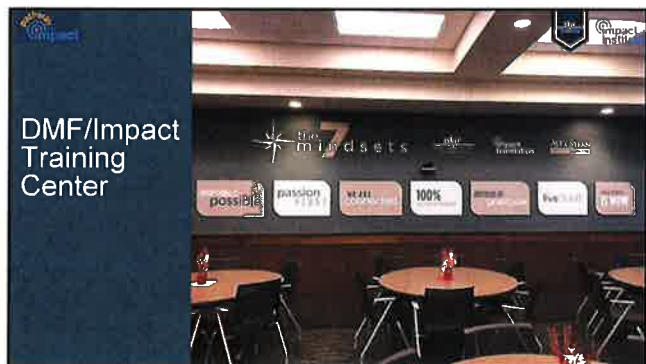
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STEP 1 [Icon]

STEP 2 [Icon] **Magnifying the GCO of the CEO**

STEP 3 [Icon]

STEP 4 [Icon]

STEP 5 [Icon]

STEP 6 [Icon]

13

Recruiting

Developing

Evaluating

Succeeding

14

STEP 1 [Icon]

STEP 2 [Icon]

STEP 3 [Icon] **Planning for Maximum Impact**

STEP 4 [Icon]

STEP 5 [Icon]

STEP 6 [Icon]

15

5 STEPS: PLANNING TO PERFORMANCE

- 1: Goals
- 2: Objectives
- 3: List the 50-150 steps to complete each objective
- 4: List activity by the next 90 days
- 5: List all of the competing priorities and/or distractions that will derail this plan

16

STEP 1
STEP 2
STEP 3
STEP 4 **Amplifying Effectiveness of Your Communications**
STEP 5
STEP 6

17

Fusing Friction, Feedback,
& Functionality

18

Impact Institute

STEP 1

STEP 2

STEP 3

STEP 4

STEP 5 **Collaborating with Catalysts, Creators, and Communicators**

STEP 6

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Impact Institute

ASSEMBLING THE HIGH IMPACT TEAM

- Board
- Staff
- Volunteers
- Donors
- Agile Talent

20

Impact Institute

STEP 1

STEP 2

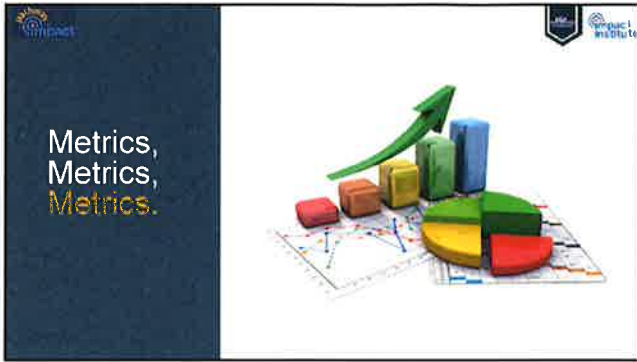
STEP 3

STEP 4

STEP 5

STEP 6 **Transforming Lives**
Changing Circumstances and Leaving Things Much Better Than You Found Them

21



22



23

AGBCONSULTING

Task Force on Higher Education Governance for North Dakota

Dr. Thomas Meredith
February 21, 2018
Fargo, ND

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1

Tom Meredith



Former Chancellor, University of Alabama System and University System of Georgia; Former Commissioner of Higher Education, Mississippi; and Former President, Western Kentucky University

Dr. Meredith consults in the areas of presidential mentoring, development and performance appraisal (more than 70 presidents have reported to him); presidential compensation; leadership training; board development and self-evaluation; board relations; and multi-institutional system matters.

2

SBHE and NDUS: Coordination and Governance

- Develop state higher education plan and set priorities
- Clarify missions and distinctive programs of 11 colleges and universities
- Workforce preparation/employment, human & economic development

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3

SBHE (cont'd)

- Maximize value of system for efficiency and effectiveness: shared services, system-wide alignment of curriculum, hire leaders (system chief executive and campus presidents)
- Determine institutional & system budget requests, set tuition and fees
- Set policies and keep them current
- Oversee compliance, financial integrity, educational quality, etc.

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4

Does Our Current Structure of Governance and Organization...

- provide the flexibility to move quickly while ensuring the quality the people of North Dakota expect?
- have the technology available to do all we should be doing?
- have the right financial model to deal with the financial constraints of declining state funding, concerns about tuition and student debt, as well as rising costs surrounding personnel and technology?

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7

If We Have The Right Structure, Then What's Missing?

Are there barriers that dissuade or block obvious actions from being taken?

- Policies? Priorities?
 - Leadership? Organization?
 - Resources? Relationships?
- If so, how can they be addressed?

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What's Happening in Other States?

- University System of Georgia
- PASSHE (Pennsylvania)
- Oklahoma
- Tennessee BOR and U of TN System
- Oregon
- Connecticut
- LSU System
- South Carolina

AGB | 12/26/2018 | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM

9

Statewide Systems That Look Like North Dakota

Single Statewide System, One Comprehensive Coordinating and Governing board for 2 & 4 Year Institutions:

1. North Dakota
2. Alaska
3. Hawaii
4. Idaho
5. Kansas
6. Montana
7. Nevada
8. Rhode Island
9. Utah

14 other states have two boards—one for two-year colleges, one for four-years.

AGB | 12/26/2018 | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM

10

Knowledge Doubling Curve

- **1900** knowledge doubled every **100 years**
- **1945** knowledge doubled every **25 years**
- **Today** knowledge doubling every **12 months**

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Changing Nature of Workforce Preparation

- Today's workers changing jobs 12 times
- Millennials change jobs 4 times by age 32
- Frequently involves change in careers

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Discussion Questions

- Are we preparing students to continue learning, be flexible and adaptable?
- Is future learning going to center around Google, Alexa and YouTube?
- Do we have the technology in place to prepare and renew our students and citizens?
- Are we prepared to address all of the forces impacting HE?
- Given all of these questions and many more, does our current structure and organization allow us to be nimble enough to answer them?

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Discussion Questions

- Do we have the technology available system-wide to help address these questions?
- If we have the right structure, then what is missing?
- What are the barriers that dissuade or block? How can they be addressed?
- The State Board has updated its Strategic Plan and has an initiative underway called *Envision 2030*. How does this fit into the work of this Task Force?
- Given the uncertain funding, do we have the right financial model for HE?

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Task Force Meetings Work Plan Chart - DRAFT			
Date	Focus	Location	AGB Consultant
January 12	Legislative history of structure of higher education in North Dakota	Bismarck	NONE
February 21	Work plan for Task Force over next 10 meetings; discussion of key areas for focus	Fargo	Tom Meredith present plan and discuss options
March 27	Governance review SBHE/NDUS; deep dive on data; comparative data on systems; harnessing the value of systems	TBD	Rich Novak & Tom Meredith present and facilitate
April 25	Focus groups—two listening sessions around state, half of member at each (2 days in a row)	Varies— 2 days	Tom Meredith—facilitator/listener
May 29	Focus groups—listening sessions around state, half of member at each (2 days in a row)	Varies— 2 days	Terry MacTaggart—facilitator/listener
June	Catalysts for Change: data analytics and student success; educational quality; attainment goals and gaps; leading change—proven change strategies at colleges, universities and systems	TBD	Terry MacTaggart & Rich Novak plan and facilitate panel discussions
July	Catalysts for Change: information technology and online learning; innovations in instructional delivery; certificates, degrees and stacked credentials	TBD	Tom Meredith & Terry MacTaggart plan and facilitate panel discussions
August	Catalysts for Change: public-private partnerships; the future of work; workforce needs in North Dakota and beyond	TBD	Tom Meredith & Terry MacTaggart plan facilitate panel discussions
September	Themes for report	TBD	Tom Meredith, Terry MacTaggart, & Rich facilitate Task Force discussions
October	First draft of report	Bismarck	Tom Meredith & Terry MacTaggart facilitate Task Force discussions
November	Revisions of report	Bismarck	Tom Meredith & Terry MacTaggart facilitate Task Force discussions
December	Final paper approved by Task Force	Bismarck	Terry MacTaggart & Tom Meredith present highlights, discuss final changes, if any

19

Additional AGB Consultants and Staff

Dr. Terrence MacTaggart,

*Former Chancellor, Minnesota State University System and University of Maine System. Author, *The 21st Century Enterprise Presidency* (AGB Press, 2017) and *Leading Change* (AGB Press, 2011).*

Mr. Richard Novak,

Former Senior Vice President for Programs and Research, AGB

Dr. Merrill Schwartz,

Senior Vice President for AGB Consulting

Mrs. Cristin Grigos,

Director of Public Policy and Statewide Programs for Board Members, AGB

20

About AGB

The Association of Governing Boards of Universities and Colleges (AGB) is the premier organization centered on governance in higher education. Governing boards must focus now more than ever on promoting central missions while running their institutions as effectively as possible. It is critical that they reinforce the value of higher education, innovate through the smart use of technology, and serve the needs of a shifting demographic. AGB provides leadership and counsel to member boards, chief executives, organizational staff, policy makers, and other key industry leaders to help them navigate the changing education landscape.

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Questions & Answers?

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22



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APPENDIX E
March Higher Education Governance Task Force Meeting Materials

TASK FORCE FOR HIGHER EDUCATION GOVERNANCE

March Meeting

1

TASK FORCE MISSION

The Task Force for Higher Education Governance has been charged with evaluating the governance structure of higher education in North Dakota and determining whether the collective system of higher education is operating to its fullest potential, furthering the educational and workforce needs of the state for the 21st century.

2

POTENTIAL SCHEDULE: 3 PHASE APPROACH

- **Phase 1. Data Gathering and Assessment: January – May**
 - Data collection from NDUS system, gather input from community & system leaders, build basis of knowledge for Task Force members.
- **Phase 2. Exploration of Options: June – August**
 - Discussion of potential options to consider and preliminary findings and themes for recommendation.
- **Phase 3. Report: September – November**
 - Presentation of final report with committee recommendations.

3

PHASE I: DATA GATHERING AND ASSESSMENT (FEBRUARY – MAY)

- **April:** Consultant conduct interviews with stakeholders across the state (students, faculty, staff, university presidents (current and past), legislators, SBHE members, and task force members, community leaders).
- Meeting as needed
- **May TF Meeting:** Report on Results of the interviews and other data gathered with a facilitated discussion on the findings.

4

**PHASE 2: EXPLORATION OF OPTIONS
(JUNE – AUGUST)**

- **June Meeting:** Discussion on other specific state structures and their effectiveness as well as restructuring initiatives in other states and their impacts (Particular states of interest can be raised by committee members.) Committee begins to focus on possible options.
- **July TF Meeting:** Consultant/staff presents draft options per June meeting's directives and facilitates a discussion with the Task Force in preparation for the final report.
- **August TF Meeting:** Time reserved for final decision discussion and creation of Task Force recommendations (TF meets only if needed).

5

**PHASE 3: REPORT
(SEPTEMBER – NOVEMBER)**

- **September TF Meeting:** Consultant/staff presents the final report for approval and leads a discussion regarding implementation of final decision.
- **October/November:** Legislations drafted (if needed) and stakeholder meetings take place in preparation for legislative session.
- Potential buffer months for additional meetings, if needed.

6

**TASK FORCE'S REPORT AND
RECOMMENDATIONS SHOULD INCLUDE:**

- What does the state need from its system of higher education to meet the needs of a 21st century workforce?
- What governance model best supports the creation of transformation universities and a transformative university system?
- What governance structure allows for the most nimble, responsive and effective higher education system in the nation with proper accountability?
- What system of governance and NDUS structure/staffing aligns with those goals?
- What system of governance empowers the highest quality of education to be offered to students?

7

HOW DO WE GET THERE?

- Through partnership with external consultant who will provide research, data, discussion facilitation, and help with preparation of external report.

– OR –

- Committee takes initiative internally to research and compose structure and rely on internal expertise.

8

RESOURCES

- Financial resources for the committee's work is facilitated through grants and donations to the state of North Dakota and the Task Force on Higher Education Governance Fund.
- Covering costs such as travel reimbursement, room rental, food, speaker fees/travel and consultants.

9

NEXT STEPS

- Asking for feedback:
 - Does this timeframe seem like an appropriate schedule for successful completion of the Task Force's mission?
 - Would you support external support for the Task Force to achieve a final product that is guided by the committee? I.E. – external consultant provides information and facilitates – but does not have heavy handed recommendation.

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APPENDIX F
April Higher Education Governance Task Force Meeting Materials



ACCESS. INNOVATION. EXCELLENCE.

RESPONSE TO QUESTIONS FROM
THE GOVERNOR'S TASK FORCE
ON HIGHER EDUCATION
GOVERNANCE

Dr. Jennifer Weber, Director of Institutional Research
April 23, 2018

Distance Ed versus Online

Background

- Institutions *do track* enrollment in Distance Education courses as they are required to federally report this data.

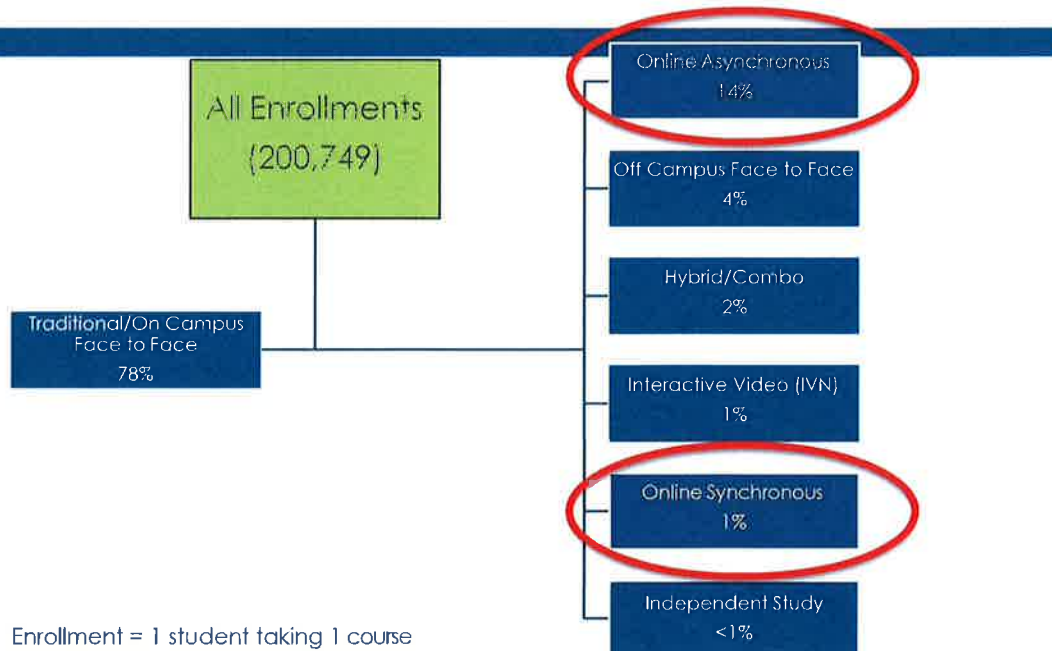
(IPEDS Completion & SARA Reporting)

- NDUS uses federal definition of Distance Education, which includes “Online” as well as other delivery modes
 - Online \subset of DE, but DE \neq online
- It is important to distinguish the difference between a distance ed (or online) course and a distance ed (or online) student.

3



Course Enrollments



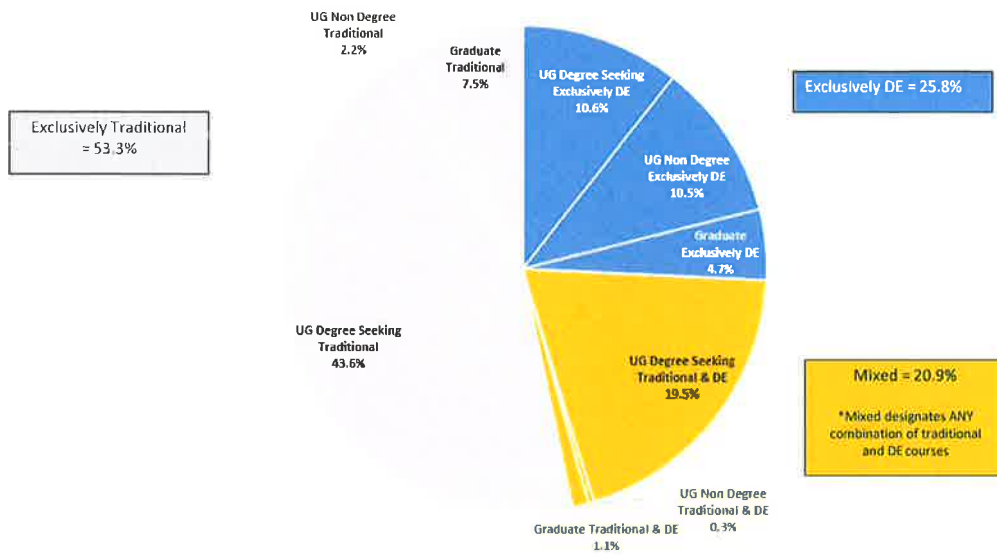
Enrollment = 1 student taking 1 course

4

Data: NDUS 2017 Fall Census



“Distance Education Students”



5

Data: IPEDS Fall 2016



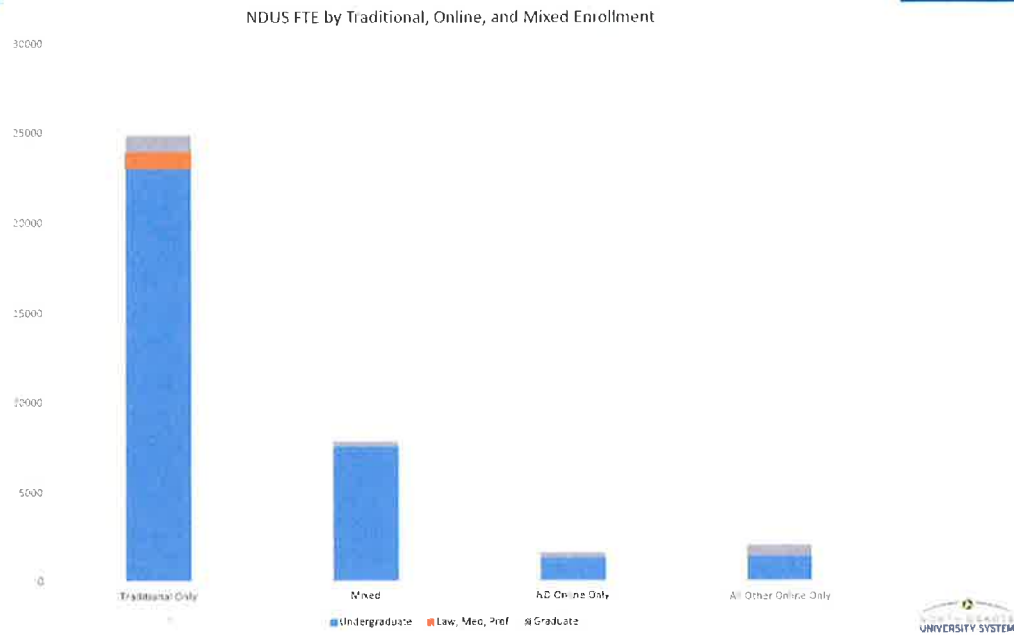
NDUS DE Attendance Patterns

- All demographics of student utilize distance education delivery, however, some use it at higher rates:
 - Undergraduate Non-Degree (High School)
 - Community College Students
 - North Dakota students
 - When looking at “online only” a distinctive pattern emerges of majority of these students have addresses within same county where they are taking coursework.

6



FTE by Online Enrollment Patterns



7

“Online Students” vs “On Campus”

Online Only

The tables and figures in this section use FTE, unless otherwise noted in the table title.

Table 2. Undergraduate FTE by Mode of Instruction

MODE OF INSTRUCTION	BSC	DCB	LRSC	NDSCS	WSC	DSU	MASU	MISU	VCSU	NDSU	UND	TOTAL FTE	TOTAL %
Face-to-Face	1,337	321	604	1,701	302	691	428	1,581	474	8,367	7,295	23,101	69%
Blended (Face-to-Face + Online)	642	111	196	452	361	304	155	507	442	2,851	1,524	7,545	23%
Distance/Online													
In North Dakota	294	82	152	75	79	99	116	140	47	78	150	1,321	4%
Out-of-State	374	12	43	26	20	34	72	47	66	81	606	1,381	4%

92% on campus

Table 3. Post-Baccalaureate FTE by Mode of Education

MODE OF INSTRUCTION	MASU	MISU	VCSU	NDSU	UND	TOTAL FTE	TOTAL %
Face-to-Face							70%
Professional Law, Medical				341	512	853	77% on campus
Other Graduate		81		935	952	1,968	
Blended (Face-to-Face + Online)			35	3	50	189	7%
Distance/Online							
In North Dakota		12	29	36	16	189	7%
Out-of-State		2	30	19	70	516	16%

8

Residency State of Online Only Students

	Undergraduate	Graduate (not Med, Law, Prof)
By Headcount		
North Dakota	45%	33%
Minnesota	11%	18%
Other out of State	44%	49%

DE/Online Courses

How has DE changed?

- Current DE programs/courses
 - 314 programs
 - 1,662 courses
 - 2,276 sections
- Increases in Students taking DE delivery
 - 29% in 2008 to 38% in 2017 (+9%)
- Increases in Enrollments
 - 16% in 2008 to 20% in 2017 (+4%)

11



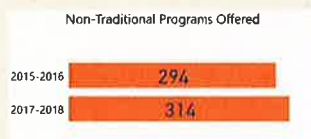
SBHE Strategic Plan Dashboard

OBJECTIVE 2.3

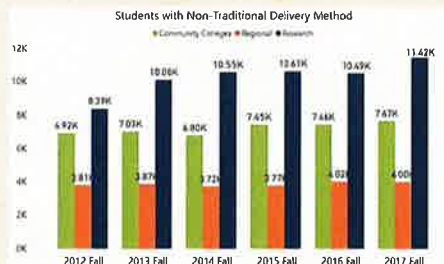
Expand access to instructional opportunities through non-traditional delivery methods

[Data Sources and Definitions](#)

2.3 A Key Indicator: Number of non-traditional programs offered
Outcome: Utilize e-learning, online, and hybrid courses, and open educational resources in response to demand, when appropriate



2.3 B Key Indicator: Number of students taking non-traditional courses by tier
Outcome: Easier access to students to participate in online and hybrid courses via full implementation of Blackboard.



12



Online Course Offerings

	Traditional		Online		Other Distance Education		Total	
	Courses	Sections	Courses	Sections	Courses	Sections	Courses	Sections
Bismarck State College	164	356	122	212	25	34	311	602
Dakota College at Bottineau	62	91	65	96	40	47	167	234
Lake Region State College	69	121	50	75	65	87	184	283
North Dakota State College of Sci	135	309	54	70	92	122	281	501
Williston State College	67	108	36	57	16	18	119	183
Dickinson State University	230	327	73	85	52	61	355	473
Mayville State University	151	199	83	99	17	18	251	316
Minot State University	259	459	97	112	65	68	421	639
Valley City State University	135	229	100	129	22	23	257	381
North Dakota State University	541	1563	168	218	52	77	761	1858
University of North Dakota	482	1385	291	459	77	109	850	1953
Total	2295	5147	1139	1612	523	664	3957	7423

Course offerings are determined at institutional level.
 Course Utilization* has not been studied at system office.

*Definition does not exist at system level; does not exist or inconsistently defined at institutional level.

Traditional versus Online

Profitability of Online vs Traditional

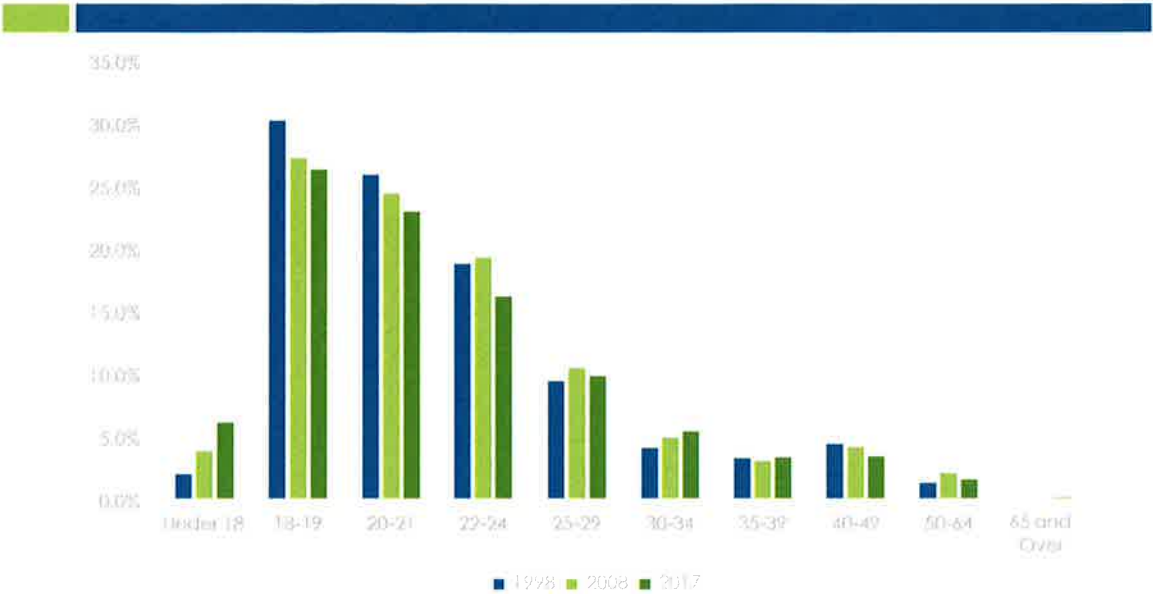
- NDUS does not currently track this.
 - Budget balancing is institutional responsibility

- Price and Cost of Distance Education (2017, WCET):
 - Great variability in policies and practices
 - Cost same or more

- The Cost of Online Education (2017, FL Board of Gov)
 - More cost upfront to develop and train
 - Like traditional, higher course enrollment produces higher return on investment
 - *Incremental/Differential cost* of \$41.48 per credit hour for online over traditional

Age

Percent Composition of NDUS by Age Group - Trending



Note: Chart displayed by percent composition of group. If done by count, all categories would show increases because student population has increased (1998 N = 33,692; 2008 N = 43,442; 2017 N = 45,477)



Online/Distance Ed Delivery by Age



Dual Credit (DC) vs AP

- Definitions:
 - DC – student co-enrolls in both high school and college course, receives credit at both.
 - When enrolling in college credits are transferred
 - AP – student takes course and must score 3 or higher on AP exam (scale=5), then:
 - student presents scores to college when enrolling and they are counted as credits earned by exam

- AP and DC credits do not compete
 - State initiative aimed at reducing AP testing fee has limiting conditions (subject, amount waived)
 - Generally speaking, students planning to attend an in-state institution take DC

QUESTIONS?

Dr. Jennifer Weber,
Director of Institutional Research

jennifer.weber@ndus.edu

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22



ACCESS. INNOVATION. EXCELLENCE.

NDUS PERSONNEL UPDATE

Tammy Dolan,
Vice Chancellor for Administrative Affairs & CFO

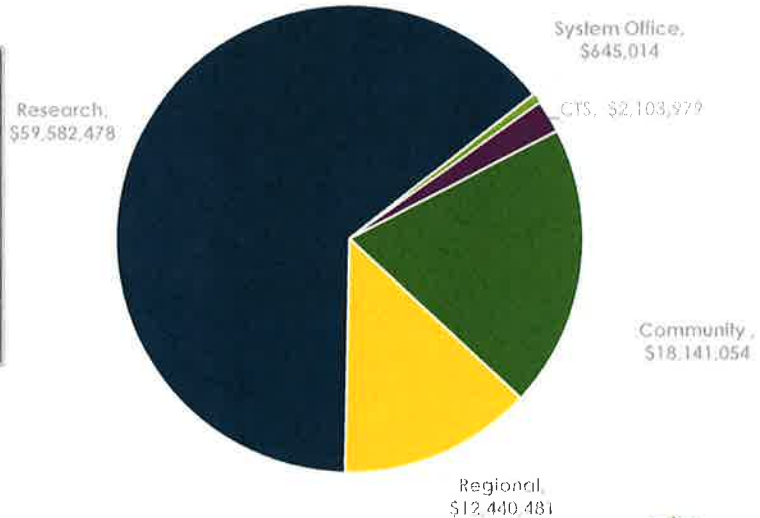
2017-2019 Projected Cost Savings \$92.9 million

23

NDUS has eliminated 669.5 FTE positions since 1/1/2016 due to reductions in available state funding.

Buyouts totaling \$8.5 million were provided.

FTE reductions, after accounting for buyout costs, are projected to be \$92.9 million for the 2017-19 biennium.

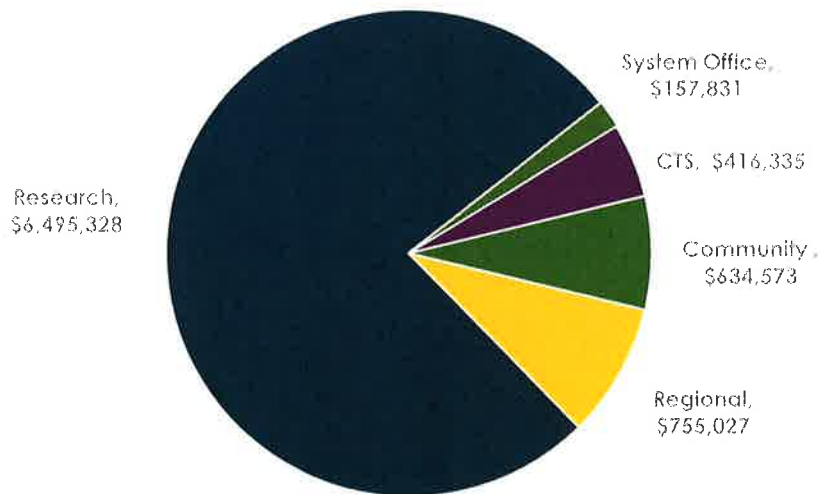


23



Buyout Cost Distribution Total = \$8.5 million

24

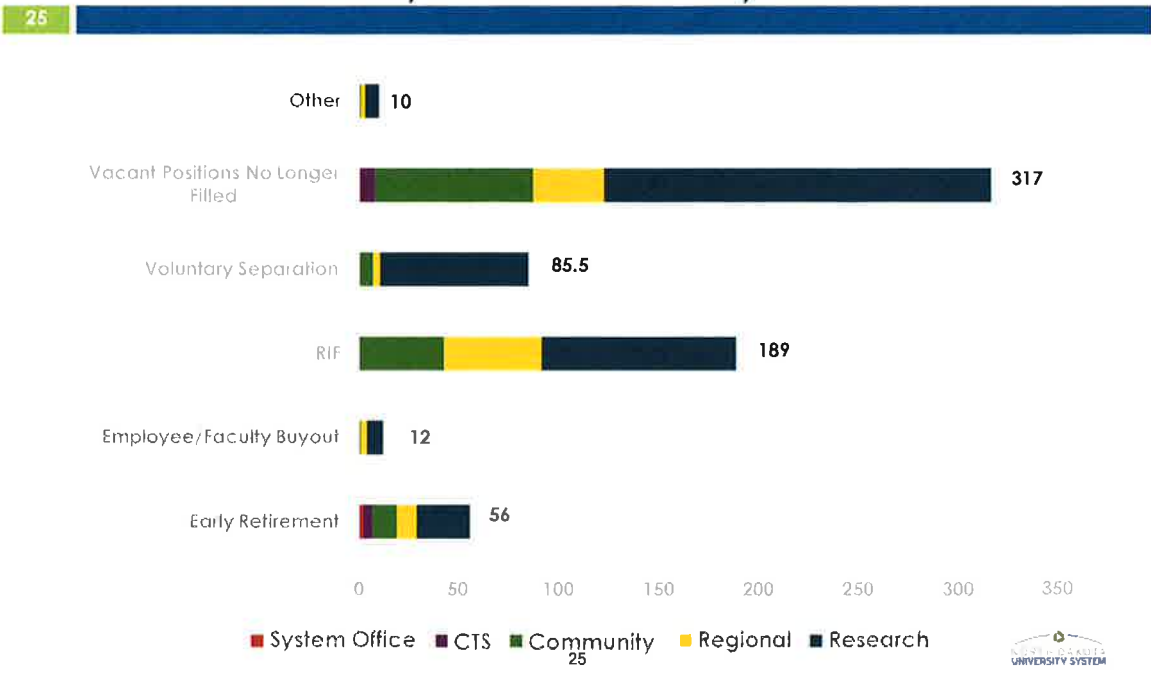


24



FTE Reductions by Type

Total Reductions = 669.5
Jan. 1, 2016 – Dec. 31, 2017



FTE Reductions by Job Band

Total Reductions = 669.5
Jan. 1, 2016 – Dec. 31, 2017

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Job Band Group	Jan 1, 2016 Staff Distribution	Distribution of Reductions	Distribution of Projected Savings
0000 - Executive/Administrative	3%	4%	8%
1000 - Administrative/Managerial	2%	3%	4%
2000 - Academic	43%	38%	41%
3000 - Professional	23%	25%	24%
4000 - Technical & Paraprofessional	10%	9%	7%
5000 - Office Support	8%	13%	9%
6000 - Crafts/Trades	3%	3%	3%
7000 - Services	8%	6%	4%

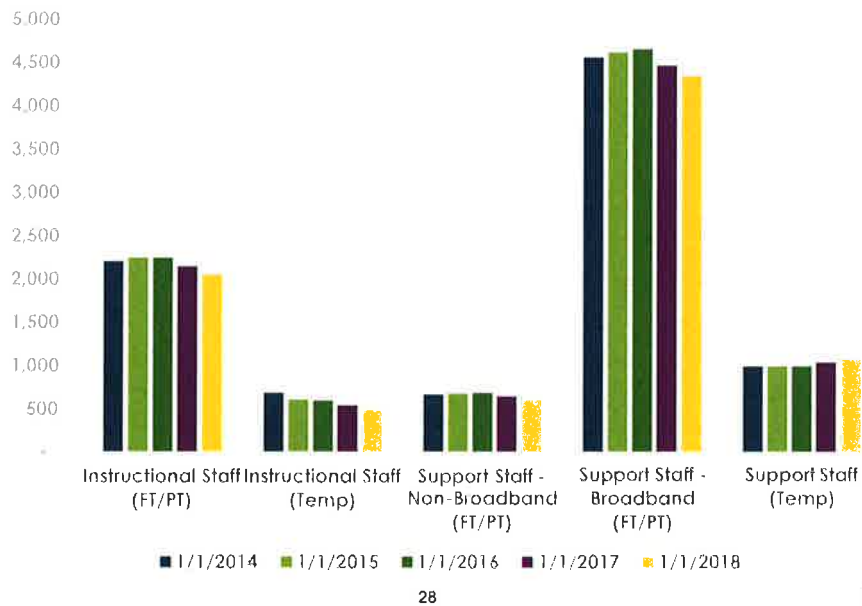
FTE Comparison by Job Band Group

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Historical Trends Instructional and Non-Instructional Personnel

28



QUESTIONS?

Tammy Dolan,
Vice Chancellor for Administrative Affairs & CFO

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APPENDIX

30

Data Sources/References:

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- 2017 Study of Distance Education (DE) Enrollment. (2018, NDUS).
<http://cts.ndus.edu/wp-content/uploads/2017/12/2017-DE-Report.pdf>
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http://www.flbog.edu/documents_meetings/0259_1022_7699_2.3.2%20IOC%2003a_2016_10_07_FINAL%20CONTROL_Cost%20Data%20Report_rev.pdf
- The NDUS Edge: 2015-202 Strategic Plan. (2018, NDUS).
<http://cts.ndus.edu/sits-departments/institutional-research/ndus-edge-strategic-plan/>



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Task Force for Higher
Education Governance for
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April 23, 2018

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THANK YOU AND CONGRATULATIONS

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Task Force Mission

The Task Force for Higher Education Governance has been charged with:

- evaluating the governance structure of higher education in North Dakota and
- determining whether the collective system of higher education is operating to its fullest potential, furthering the educational and workforce needs of the state for the 21st century.

Key Points

- Every state and most systems are facing the same challenges as ND
- There is no universal answer.
- The willingness of ND to take a fresh look will benefit ND citizens.
- Our job is to facilitate your work through our combined 150 years of experience and the research of AGB.
- The final decision is yours. Our task is to help you make an informed decision regarding this critical topic.
- We are excited and enthusiastic to play a role as you re-envision HE in ND. We believe you could be a model for other states.

Proposed Schedule: 3 Phase Approach

- **Phase 1. Data Gathering and Assessment: April - May**
 - Data collection from NDUS system, gather input from community & system leaders, explore other HE structures, build basis of knowledge for Task Force members.
- **Phase 2. Exploration of Options: June – July**
 - Discussion of preliminary findings, exploration of potential options to consider, identification of themes. Present first draft to Task Force
- **Phase 3. Report: August - September**
 - Preparation and presentation of the final report.

Data Gathering & Assessment: April-May

- April 23 Task Force meeting to refine work plan
- Identify and conduct in-person and telephone interviews with key stakeholders. Research and prepare presentations for May and June meetings.
- May 29 Task Force meeting focused on state higher education structures: How do other states organize for coordination and governance? What can we learn from changes in other states? What can we do differently and what's required for accreditation?

Exploration of Options: June-July

- June 21 Task Force meeting—discussion of findings from interviews and research. What are the problems we are trying to solve? What are the themes that should guide our consideration of options and recommendations?
- July 31 Task Force meeting—discussion of potential governance structures for North Dakota and the pros and cons of each, with wide consideration of new future-oriented solutions. Draw on the best thinking of the task force and expertise of consultants.

Report & Recommendations: August-September

- August Task Force meeting will engage members in revising recommendations with the goal of a consensus report.
- September 28 Task Force meeting to discuss and finalize report.
- October 16, November 13, and December 5 Task Force meetings may be held, if needed. If relevant, Task Force may provide input on potential legislation based on recommendations, for the legislative session.

Governor's Question for the Task Force

“What form of university governance system will best allow higher education in North Dakota to thrive during digital and economic disruption?”

(Gov. Burgum, January 12 Task Force meeting)

Questions and Discussion

- What does the Task Force need to succeed and does this plan provide it?
- What are we missing?
- What might prevent the Task Force from achieving its charge?
- Additional Questions? Additional Thoughts?



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APPENDIX G
May Higher Education Governance Task Force Meeting Materials

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Task Force on Higher Education Governance for North Dakota

May 29, 2018

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Facilitators



Terry MacTaggart

AGB Senior Fellow and Former Chancellor, Minnesota State University System and University of Maine System. *Author, The 21st Century Enterprise Presidency (AGB Press, 2017) and Leading Change (AGB Press, 2011).*



Rich Novak

AGB Senior Fellow and Former Senior Vice President for Programs and Research, AGB

Introduction

- **Governor's Charge**
- What Governance means
- Why it matters: Making policies and making them work
- Issues raised during April 23rd Task Force meeting

Governance Means

- **Governance is the exercise of leadership**
- Greek—“to steer”
- Uniquely American style
- Relative independence of governing boards
- System Governance and “shared governance”

Governance Structures Today

- **88 total systems, 58 for senior Institutions, fewer models**
- “Flagship” model
- “Classic” System model
- Mixed missions (consolidated systems) and common missions (segmental systems)

Governance Structures (cont.)

- Public institutions with own governing boards
- Governing systems and coordinating boards and commissions
- Do different governance models lead to different results?

Power Relationships in Governance Structures

- **Structure governs the exercise of leadership**
- Strong Executive model
- Systems of special relationships

Power Relationships (cont.)

- Confederations
- Voluntary coordination
- Coordinating boards
- “Big Box” models

Tensions in Governing and Coordinating Models

- **Managed conflict can be constructive: The quality of leadership makes it so--**
- Collaboration/Competition
- Regulated/Entrepreneurial
- One size fits all, or not
- Flagships and other vessels

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Tensions (cont.)

- Rise of the urban powerhouse
- The insurgent campus
- Intrusion or the will of the people
- System shelf-life
- “Between the dog and the fireplug”

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**Public College and University Governance:
An Overview of Governance Structures in the 50 States**

Prepared for the North Dakota Task Force for Higher Education

**By
Richard Novak
and
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Association of Governing Boards of Universities and Colleges

May 29, 2018

Basic public higher education governance structures, with the occasional nuance or exception, are described in this brief paper.

This overview begins with a description of public college and university systems and their many variations. Systems are the predominant structure in American public higher education. The overview then categorizes governance structures by comparing the various structures by state, a helpful way in which to describe and compare structures. The overview concludes with a description of higher education coordinating boards and agencies.

The overview addresses institutions and systems primarily comprised of senior institutions. Community and technical college governance structures are also addressed in recognition that the North Dakota University System includes five community colleges in addition to its two research universities and four four-year regional universities.

Public college and university systems

The numbers show the prominence of college and university systems in the higher education landscape:

- According to the U.S. Department of Education's Digest of Education Statistics, in 2015, 73 percent of the nation's 19.97 million students were enrolled in public colleges and universities, and the vast majority of these students are enrolled at two and four-year institutions that are part of public systems.
- Some 88 public colleges and university systems exist in the United States and oversee the majority of the nation's public colleges and universities, from research universities, to regional comprehensive universities, to community and technical colleges.

- Roughly, 58 systems exist in the four-year sector, overseeing 350 public senior institutions; twenty of these 58 also oversee dozens of two-year institutions. Some 30 two-year college systems, comprised of statewide and district boards, oversee community and technical colleges.

The differences among systems are significant, if not self-evident. Many systems were the result of mergers of pre-existing institutions or small systems that were mandated by the legislature. These systems are commonly called “consolidated” systems. The diversity of their institutional members can include research universities along with regional comprehensive universities and in many cases, two-year colleges, as well. The NDUS fits into this category. “Segmental” systems govern institutions that have similar missions and purposes, most commonly regional comprehensive universities or former teacher-training institutions. Community college systems are segmental in that they oversee only traditional two-year colleges.

Other systems evolved from a single institution as population growth and educational demands increased, leading to the establishment of nearby branch campuses. In these systems, usually dominated by the state’s flagship university, the flagship president or chancellor can also serve as the system chief executive, in that the other campus heads report directly to him or her. These systems include the University of Houston System, Purdue University, the University of South Carolina System, and several others.

Systems also differ in the types and number of institutions they oversee, as well as in the size of student enrollments. They range in size from two institutions, the Southern Illinois University System and the University of North Texas System, for example, to the State University of New York, which consists of 64 two and four-year institutions and over 450,000 students.

In the majority of systems, a chief executive officer—usually called the system chancellor or system president and commonly called the “system head”—has several leadership responsibilities. These include working directly with a system governing board on budgeting, planning and strategic direction for the system, being a liaison with government and business leaders, leading the system staff, and directly overseeing the work of the campus chief executives. The system head is usually one of a state’s top leaders for higher education, if not *the* top leader. In a small number of systems, the system head’s responsibility is limited to staffing and advising the board, overseeing studies and reports, and managing the central office.

Member institutions in several systems have local governing boards or advisory councils with the limits of their authority defined by legislation and/or the system governing board. This “two-tiered” governance structure is the case for seven senior institution systems (the University of North Carolina System and the University System of Utah System are two), and several two-year college systems (the California Community College System, for example).

States with a single, consolidated statewide system

Nine states have one single consolidated statewide system, with a single governing board that oversees all public colleges and universities—all two-year and four-year institutions, including technical colleges, if they exist. These states are Alaska, Hawaii, Idaho, Montana, Nevada, **North Dakota**, Rhode Island, South Dakota, and Utah. All of these nine systems are consolidated systems, in that they oversee a wide diversity of colleges and universities.

States with multiple systems

Thirteen states have organized all public institutions under two or more systems, each with its respective governing board.

Six of these 13 states have two statewide systems, one to oversee the state's four-year colleges and universities and the other to oversee the state's community or technical colleges. These states are: Florida, Iowa, Maine, Mississippi, New Hampshire, and North Carolina. In two states, Georgia and Wisconsin, a board of regents oversees both four and two year institutions, but a second, separate board oversees a technical college system.

Five states have multiple systems, some which are statewide, others more geographical or regionally defined, but which again, oversee all public institutions. Most notable is New York, with the State University of New York and the City University of New York systems, both which include a range of institutions from two-year technical colleges to major research universities; and California, with three segmental systems, the California Community College System, the California State University System of regional comprehensive institutions, and the ten research universities of the University of California System. The other states with multiple systems are Louisiana, with four systems—two that are flagship university dominated systems and two that are segmental systems; and Massachusetts and Minnesota, each with a flagship university dominated system and a consolidated system that governs two and four-year colleges and universities.

States with institutions that are independently governed

The senior institutions in 11 states are freestanding, in that each has its own independent governing board. These states are Delaware, Kentucky, New Jersey, New Mexico, Ohio, Oregon, Virginia, Washington, West Virginia, and Wyoming. Michigan is also included here even though the University of Michigan consists of three separate universities; it tends to think of itself as a single institution. The two-year institutions in these states are organized separately and consist of freestanding institutions or two-year systems—as in Kentucky, Oregon, Virginia and Washington.

Institutions in these states frequently rely on voluntary cooperation and institutional collaboration to minimize conflicts and competition. Michigan, New Jersey, Virginia and Washington have created non-governmental organizations to facilitate such cooperation and collaboration for senior-level institutions. Seven of the above states have a coordinating agency, board, or commission, or a Secretary of Higher Education (see below) that perform such functions and more.

States with mixed governing structures of systems and independently governed institutions

In the remaining 17 states, some combination of the governance structures described above exists for the senior colleges and universities, in that they have a mixed structure of systems and institutions with independent boards. Several feature systems dominated by the state's flagship universities, or one or more systems co-existing with one another, plus additional four-year institutions governed outside the system with their own independent governing boards. These states are Alabama, Arizona, Arkansas, Colorado, Connecticut, Illinois, Indiana, Kansas, Maryland, Missouri, Nebraska, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, and Vermont. In the majority of these 17 states, a university system (and in some states, two systems) is still the predominate governing structure for the senior universities. The two-year institutions in most of these states are organized and governed separately, although in five of these states, four-year systems include some or all of the states' two-year campuses.

State coordinating boards and agencies


Approximately half of the states have a coordinating agency with a board of its own, or an executive agency, without a board, in the Governor's Office. In several states, these agencies are effective entities for setting higher education policy and establishing regulations. Their authority can approach or exceed that which is possessed by college and university system offices or the collective influence of institutions and their governing boards, in that they can influence or leverage the behavior of several institutions by approving academic programs, setting tuition levels, collecting and analyzing institutional and statewide performance data, and building a consolidated operating and capital budget request to the state on behalf of all institutions. Some agencies also license out-of-state providers.

Coordinating agency executives can also be the state's leading spokesperson for higher education. In a handful of states, the agency's executive sits in the Governor's cabinet and carries the title of "Secretary of Higher Education." In several states, however, coordinating agencies are relatively weak, in that their influence is limited to being advisory to state elected leaders or confined to a relatively small sphere of issues. Three states dissolved their state coordinating agencies in the past five years—California,

Connecticut, and Washington—and dispersed their most basic responsibilities to existing state or higher education system offices.

In states where they co-exist, conflicts can and do occur between coordinating agencies and systems or free-standing institutions, and between executives of the respective organizations, as well as, occasionally, their respective boards. Well-established university systems and free-standing institutions can often thwart the legal authority of coordinating agencies. Lastly, in all but three of the twenty-two states where single or multiple system structures govern all colleges and universities, coordinating structures are considered redundant and therefore, absent.

APPENDIX H
June Higher Education Governance Task Force Meeting Materials



Governor's Task Force on
Higher Education

June 21, 2018
Bismarck, ND

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1



Summary and Analysis of Interviews
Conducted by AGB Consultants

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2

Interviews

- 60-plus interviews
- Task Force, SBHE, Chancellor, Presidents, Legislators, Employers, Faculty, Staff and Students
- 30 minute interviews
- Very positive/candid responses
- Absolute anonymity
- Survey - 60-plus respondents

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General Takeaways

- Factual, Perception, Opinion
- Appreciation and support for higher education and concerns about its future

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General Takeaways

State Board of Higher Education and NDUS

- Board supportive: best interests at heart for state, students, staff, faculty and institutions
- Staff works hard on behalf of institutions
- Board and staff able to balance competing institutional interests
- Current system may need strengthening but can work

5

General Takeaways

State Board of Higher Education and NDUS

- Lack of clear criteria for board selection
- Terms too short
- Minimal advocacy or push back; not proactive with legislature
- Little focus on strategic issues
- System staff overworked; gaps in experience in key areas

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General Takeaways

SBHE and NDUS (cont'd)

- Failure to understand mission differences
- Board members favor some institutions over others
- Few meetings on campuses
- Processes too slow
- End runs around board and system staff too common

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General Takeaways

SBHE and NDUS (cont'd)

- One size intended to fit all in decisions
- Good competition vs Bad competition

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General Takeaways

Cooperation, Trust and the Legislature

- Lack of TRUST as a barrier
- More partnerships
- Stay in your lanes
- Institutional protection vs good of the whole
- Research Universities need a bigger voice

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General Takeaways

Financial

- Rising cost of attendance and student debt
- Lack of raises and operational dollars
- Loss of faculty and difficulty hiring
- Immediate and long-term damage with cuts
- Financial incentives appear to be absent

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General Takeaways

Technology

- Student needs preclude technology for all
- On-line classes need to be expanded
- Some concerns about pricing and student markets

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11

Solutions from Interviews

In General

- Loss of appreciation for Liberal Arts and Higher Education in general
- Excess focus on job training
- Concept of shared governance is being lost
- Reestablish the Roundtable or similar gathering of stakeholders

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Solutions from Interviews

I. Keep the Current Structure but with several changes and reforms (Most responses, 44)

- The presidents should report directly to the chancellor, not to the SBHE.
- Strengthen the role of the chancellor with a focus on accountability, expedited responsiveness and legislative relations.
- Strengthen credentials for board applicants.
- Expand institutional autonomy.

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Solutions from Interviews

Keep the Current Structure but with several changes and reforms (I. cont'd)

- SBHE more focused and proactive on strategic issues.
- Increase the length of member terms.
- Add one board member to get an odd number.
- Consider out-of-state board members.

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Solutions from Interviews

II. Three boards: Create one governing board for the research institutions, one for the four-year institutions, and one for the two-year sector with no overarching authority. (6) (Elect the members of these three boards (1).)

III. Four boards: Keep the SBHE but with limited authority. Add a governing board for the research institutions, one for the four-year institutions, and one board for the two-year institutions. (3)

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Solutions from Interviews

IV. Four boards: Create separate institutional governing boards for NDSU and UND, one board for the four-year institutions, and one board for the two-year institutions. (3)

V. Twelve boards: Create separate governing boards for each institution with a statewide governing board or coordinating board. (3)

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Solutions from Interviews

VI. Three boards: Create separate institutional governing boards for NDSU and UND, retaining the SBHE as a governing board for the other four-year and all two-year institutions and as a coordinating board for NDSU and UND. (2)

VII. Eleven boards: Create separate governing boards for each institution with no overarching statewide authority. (1)

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Solutions from Interviews

VIII. Six boards: Create one board for the research institutions, one board for the four-year institutions, and four regional boards for the two-year institutions. (1)

IX. Two boards: Retain the SBHE for UND, NDSU and all four-year institutions and place two-year institutions under existing state K-12 board. (1)

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Solutions from Interviews

Other ideas:

- Affiliate institutions on a regional basis, or place all institutions under either NDSU or UND. (No governing structure preferred). (2)
- Create charter institutions or performance contracts with institutions. (2)

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Solutions from the Public Comment Survey

- Keep the current SBHE and NDUS.
- One NDSU system including Valley City and Dickinson. One UND system including Mayville and Minot. Community Colleges remain under the SBHE.
- Keep the current SBHE and elect a Commissioner of HE with a small staff. Statewide deans for each academic area, statewide financial officer, and operations manager (top administrator) for each campus.

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Solutions from the Public Comment Survey

- UND and NDSU would have joint curriculum committees for each department to benefit students.
- Each institution operates independently.
- Eliminate some of the community colleges.
- Restrict duplication and close Minot and Valley City.
- Don't close any institutions.

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Solutions from the Public Comment Survey

- Move all 100-200 level courses to the community colleges.
- Numerous comments about the need for highly qualified SBHE members.

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22

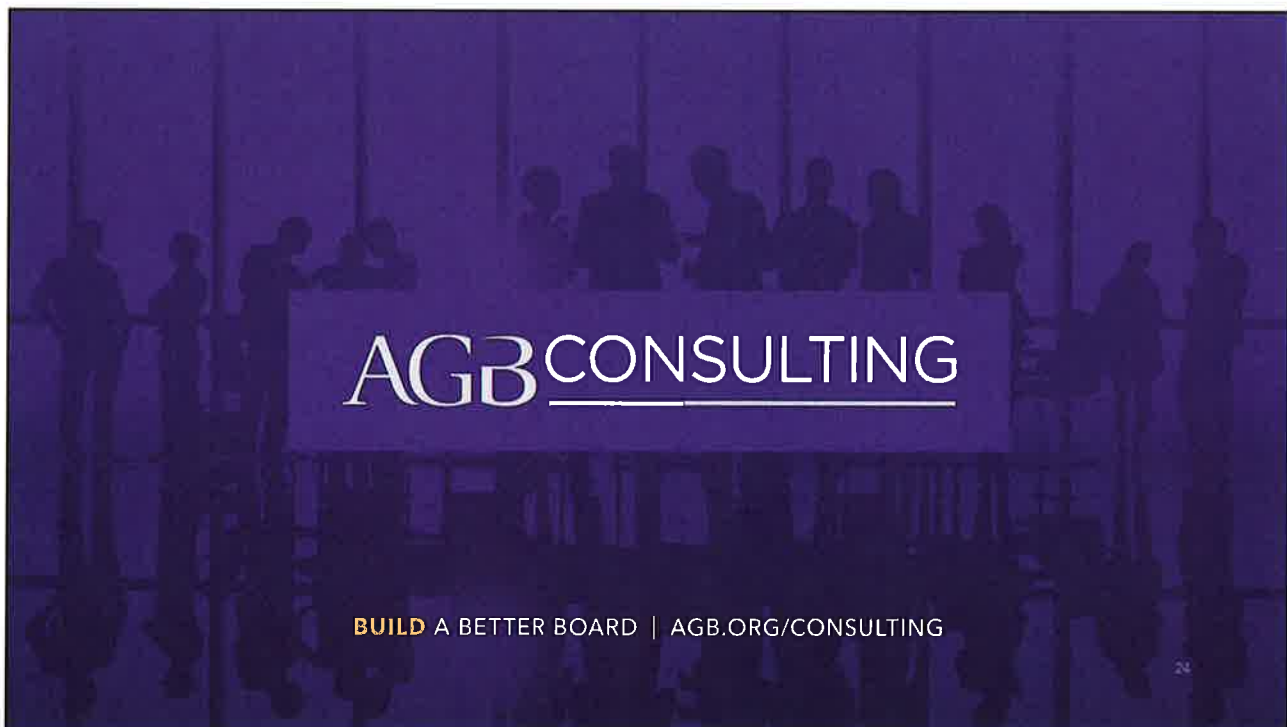
Next Meeting

- Present up to three options fleshed out for your discussion based on today
- Provide one or two state examples for each option
- Ready to assist in reaching a decision

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**Governor's Task Force for
Higher Education Governance**

**June 21, 2018
Bismarck, ND**

**Summary and Analysis of
Interviews Conducted by AGB Consultants**

Introduction

- For approximately the last six weeks, we have been busy with our research and with interviews pertaining to higher education in North Dakota.
- We have interviewed over sixty individuals, some in groups.
- Interviews were held with task force members, state board of higher education members, chancellor, presidents, legislators, employers from the public and private sector, faculty, staff and students.
- Interviews lasted thirty minutes with some running longer.
- The interviews were cordial, candid, professional, helpful and very pleasant.
- All interviews were conducted under an absolute condition of anonymity.
- Clarification: Although every idea heard may not be shown in the exact words they were presented to us, the idea is incorporated into the responses.
- In addition to these interviews, the public was invited to give their thoughts on a special website established by the Governor's office. Approximately sixty-seven individuals did so. We appreciate the good work of Dr. Ellie Shockley and Dr. Paul Markel in developing the public survey instrument.
- A special thank you should be given to Danelle Hopkins in the Governor's office for handling the logistics of scheduling all of our interviews.
- And thanks again to Robbie Lauf for his excellent work serving as the liaison for the Task Force.

General Takeaways

We understand that what we heard in the interviews may have been factual, or may have been an individual's perception or opinion. Nevertheless, it was important to hear.

- There is a broad belief in the value of higher education for North Dakota.

- The research universities are critical for their research and importance economic development and the national recognition they bring to North Dakota.
- The four-year institutions serve an important base of students with the care that is needed for their success.
- The two-year colleges serve a valuable role in much needed job training and workforce preparation, as well as student transfer to four-year degrees.

State Board of Higher Education and NDUS

- Board supportive: best interests at heart for state, students, staff, faculty and institutions
- Staff works hard on behalf of institutions
- Board and staff able to balance competing institutional interests
- Current system may need strengthening but can work
- There is some belief that the terms of the SBHE members are too short for them to be sufficiently informed and effective for decision making.
- Some feel there should be an odd number of voting members. There is no way to break a tie.
- There was a general call for the credentials necessary to apply for an appointment to the SBHE to be elevated and the process strengthened.
- Concern was expressed that the selection process for those names sent to the Governor is not above board.
- Although the selection process for SBHE members as established was a good idea, the question raised is has it become too political. Others feel that the reappointment process has become too politicized.
- If the current NDUS structure is to be maintained, there was a strong sense that the SBHE must be much more effective.
- Concern was expressed that the SBHE does not adequately advocate for the institutions or push back against the legislature when it encroaches on the authority of the SBHE.
- The apparent dysfunction between the SBHE and the legislature was mentioned numerous times.
- There is concern that the SBHE does not meet often enough nor long enough to delve into strategic issues.
- Additionally, concern was expressed that the members of the SBHE lack an in-depth knowledge of the system's institutions. This has been exacerbated by not meeting on campuses.

- There is some feeling that some board members act as institutional representatives.
- Some worry that the system staff are overworked, and few have needed experience in essential areas.
- Institutional responsiveness to new program needs is hampered by slow program approval and competitive protectionism.
- The role of the Chancellor was questioned. Presidents frequently bypass the Chancellor to the SBHE and the legislature. The SBHE is not seen as supportive of the Chancellor's position.
- There was concern expressed that all institutions are seen as the same with the same blanket rules even though their missions are different.
- Concern was registered that the research institutions are competitive to the point of being detrimental to the state.

Cooperation, Trust, and the Legislature

- The lack of TRUST was mentioned several times as a barrier to cooperation. More partnerships are needed like the agricultural partnership between NDSU and Dickinson.
- The lack of TRUST is also cited as the reason the SBHE, the legislature and the executive branch "stray outside of their lanes" in terms of responsibility and authority.
- There is concern that legislators are too protective of institutions in their areas and of the research universities.
- Some clearly feel the research universities should have a bigger voice on higher education matters.

Financial

- Concerns were expressed over the rising cost of attendance and student debt.
- The lack of raises and the continuing cuts have caused departures and difficulty in hiring for faculty and staff.
- There was widespread concern regarding the cuts that higher education has had to endure and the long term negative impact they are having and will have on the state.

Technology

- Given the preparation of many students academically and socially coming to the institutions, there is concern about expecting them to be successful if they are pushed to primarily on-line classes.
- At the same time, there is a recognition by some that the use of on-line classes should be expanded.

- Some expressed concerns about pricing and reaching student markets.

In General

- Concern was expressed over the loss of appreciation for the value of the liberal arts and the value of higher education in general.
- Concern was presented regarding the decline of the important concept of shared governance.
- Many expressed regret over the demise of the Roundtable and expressed hope that it could be re-established in some iteration.

Solutions Offered from the Interviews (number in parentheses is total preferring that solution)

- **Keep the current structure but with several changes and reforms.** (44)
 - The presidents should report directly to the chancellor and not to the SBHE.
 - Strengthen the role of the chancellor with a focus on accountability, expedited responsiveness and legislative relations.
 - Strengthen credentials for board applicants.
 - Expand institutional autonomy.
 - SBHE more focused and proactive on strategic issues.
 - Increase the length of member terms.
 - Add one board member to get an odd number.
 - Consider out-of-state board members.
- **Three boards:** Create one governing board for the research institutions, one for the four-year institutions, and one for the two-year sector with no over-arching authority. (6) (Elect the members of these three boards (1).)
- **Four boards:** Keep the SBHE but with limited authority. Add a governing board for the research institutions, one for the four-year institutions, and one board for the two-year institutions. (3)
- **Four boards:** Create separate institutional governing boards for NDSU and UND, one board for the four-year institutions, and one board for the two-year institutions. (3)
- **Twelve boards:** Create separate governing boards for each institution with a statewide governing board or coordinating board. (3)
- **Eleven boards:** Create separate governing boards for each institution with no overarching statewide authority. (1)
- **Six boards:** Create one board for the research institutions, one board for the four-year institutions, and four regional boards for the two-year institutions. (1)

Other ideas offered:

- Affiliate institutions on a regional basis, or place all institutions under either NDSU or UND. (No governing structure preferred). (2)
- Create charter institutions or performance contracts with institutions. (2)

Solutions from the Public Comment Survey

- Keep the current SBHE and NDUS.
- One NDSU system including Valley City and Dickinson. One UND system including Mayville and Minot. Community Colleges remain under the SBHE.
- Keep the current SBHE and elect a Commissioner of HE with a small staff. Statewide deans for each academic area, statewide financial officer, and operations manager (top administrator) for each campus.
- UND and NDSU would have joint curriculum committees for each department to benefit students.
- Each institution operates independently.
- Eliminate some of the community colleges.
- Restrict duplication and close Minot and Valley City.
- Don't close any institutions.
- Move all 100-200 level courses to the community colleges.
- Numerous comments about the need for highly qualified SBHE members.

Next Meeting

- Present up to three options fleshed out for your discussion based on today
- Provide one or two state examples for each option
- Ready to assist in reaching a decision

North Dakota Open Comment on Higher Education Governance

June 21, 2018

In May 2018, Governor Burgum invited residents of North Dakota to comment on the work of the Task Force for Higher Education Governance. The Task Force has been charged with evaluating the governance structure including, but not limited, to the State Board of Higher Education (SBHE) of the North Dakota University System (NDUS). The NDUS is composed of Bismarck State College, Dakota College at Bottineau, Dickinson State University, Lake Region State College, Mayville State University, Minot State University, North Dakota State College of Science, North Dakota State University, University of North Dakota, Valley City State University, and Williston State College.

Individuals who responded to the public comment survey were informed that their identity may be linked with their comments, and that their comments are a matter of public record. The open call for comments and survey questions are enclosed. The survey opened on May 24th and closed on June 11th.

Participants voluntarily responded to the following question: *The Work of the Task Force is underway. What would you like the Task Force to take into consideration? Limit to 200 words.*

Information about Responses:

Of the 68 survey responses, 67 came from North Dakotans all over the state, mostly from the cities of Grand Forks (18), Bismarck (16), Fargo (13), and Dickinson (6). Forty-four of the respondents indicated that they are current or former NDUS employees, and at least 10 are NDUS alumni. Four respondents work in health care and three are K-12 educators.

The Association of Governing Boards of Universities and Colleges (AGB) was asked to compile the comments and group participant feedback into topics/themes. The following information reflects this assignment. All responses are verbatim.

I. Comments about NDUS Structure (19)

- *Elimination of at least half of the NDUS community colleges. Look at the number of universities the state of Wyoming supports. Wyoming has a similar population to ND and it heavily supports one institution, University of Wyoming....now that's smart business! - NDUS employee*
- *I am confused about your charge. Is it to construct better governance of higher education or is it to change how higher education is accomplished? On another note, are you viewing higher education as being about education defined broadly or are you viewing higher education as job training? - NDUS employee*
- *The system schools are currently quite top heavy (including the Chancellor's Office). The SBHE needs to meet more often. What \$1 billion company meets face-to-face 4 times a*

year and expects to be successful? Either do it right, or allow the 11 campuses to be autonomous. – Employment information unlisted

- *I think it's important to keep the governance model as it is today, institutions as they are. Incorporate some of the priorities and keep the student and costs in mind but it's also important to keep the employees in mind about what is fair and honest for pay. - NDUS employee and alumnus*
- *There needs to be a better way to allow the two research institutions to have distinct influence, separate than the rest of the institutions as they have a much greater need for certain resources. By size, they are much larger in revenue, expenses, and staff that they should also have a more significant voice in issues surrounding higher education. - NDUS employee and alumnus*
- *The two research universities are different from the other NDUS institutions. Too often, the SBHE or NDUS takes a one size fits all approach, trying to mandate uniformity across all institutions, and that actually results in making us less efficient and less able to provide the level of service we could. We've seen that with the email system and the learning management system (Blackboard). Any future governance system must listen more to the faculty and administrators who are in each local campus and take the unique mission and needs of each campus into account. - NDUS employee*
- *The task force needs to clearly understand what a Research University is and the kinds of investments and infrastructure needed to have a successful research university. Funding and probably governance needs to be different than for other institutions in the NDUS. - Professional services employee*
- *Create a flexible system that allows each institution to independently exist based on mission, status, and contribution to the state. Consider that governance does not always mean that all institutions are the same. - NDUS employee*
- *I have a unique perspective, but we should have one NDSU-system comprising NDSU, VCSU, and DSU and a UND-system comprising UND, MaSU, MiSU. The remaining community colleges can be part of the current NDUS. Why? Missions are similar among the institutions, saves money by combining resources, and it permits true competition, e.g. all of a sudden graduation rates means something, progress means something, as each system would be competing at the level of the legislature. Let's get radical here. The current NDUS requires a one-size fits all mentality, which the needs to the institutions and their missions are different. Not a good idea to mix 2-year institutions with 4-year, and then research institutions. Separately our institutions are all reasonably strong, but the NDUS is more or less similar to the Confederation of States and we know how that worked out. - NDUS employee*
- *Clarify rules of conduct and who is in charge of what at all levels. State makes the budget, State Board and System Office should be in charge of long range plans of all institutions and making sure the system as a whole is heading in the right direction and*

then each university/college is should be charged with living its mission to the fullest. The State should not have to come into a college/university to bail it out of a decision made at that level. - Finance industry employee

- *There is nothing wrong with the governance structure of the NDUS. The problem is with the people who COMPRISE the governance structure. – Employment information unlisted*
- *I agree it is time to look at the overall functioning of the university system. Foremost, though, I believe the task force's options should be limited by the prior wishes of the will of the North Dakota voters. The referendum considering the restructuring of the SBHE was soundly defeated. Prior referendums about closing universities/colleges: they were also defeated. - NDUS employee*
- *What type of institutions do we want to have, and how much does it cost to have that type of institution? What are comparable peer institutions in terms of size, research expectations, and teaching load? How much would we save by consolidating institutions, or by converting existing institutions into branch campuses? - NDUS employee*
- *We need to respect our research universities and let them become stronger economic engines for the state. We do not address the trade and technical area strong enough and we must encourage the ability for all students to start exploring career options earlier in their education. - Employment information unlisted*
- *The structure of the administrative staff at each higher ed institution should be studied. All power seems to be in the hands of the President. On smaller campuses, personal likes and dislikes interfere with good governance. - Health care worker*
- *If there are creative solutions to combine some of the smaller colleges with the larger ones, that might be an option. But let's not cut, just to cut. Priorities must be set. Students need to be considered first. I understand that Higher Ed needs to evolve with the times, but we can't do away with the traditional college model. - NDUS employee*
- *Please introduce a constitutional amendment to replace the Board of Higher Education with an elected commissioner of higher education. The superintendent of public instruction would appoint an interim commissioner when the amendment takes effect. The commissioner would have a small staff. Statewide deans would report to the commissioner. These would include a dean of education, a dean of nursing, a dean of medicine, a dean of law, a dean of engineering, a dean for aerospace, a dean of liberal arts, and any other deans deemed necessary by the commissioner. The state financial officer would report to the commissioner, while the operations manager for each campus would report to the commissioner. All administrative levels between dean and commissioner would be eliminated. The "North Dakota University System" would no longer exist. Instead, each campus would be required to have a joint curriculum committee with its sister campuses. In particular, the Grand Forks and Fargo campuses of North Dakota University would be required to have joint curriculum committees*

department by department so that students can have seamless integration while faculty can have quality control. This innovation and academic integration would be simply impossible without abolishing the upper administration of both UND and NDSU.

- Telecommunications employee

- I think the most important thing to consider at the current time is efficiencies. With budget constraints affecting higher education and the university system, does it really make sense to have possibly three separate governing agencies for the state-run colleges and universities? I understand that the research universities, regional universities and colleges have varied missions, visions and needs, but I question the need to create separate governing bodies to oversee these activities. - NDUS employee*
- Stop the mission creep of the smaller state institutions and restrict duplication of programs. We should work in collaboration if each other, not competition. Close MSU and/or VCSU; the state can't afford all the current institutions. - NDUS employee*

II. Comments about the SBHE (4)

- Make the SBHE members be more visible to the public -- regularly tour campuses, hold open forums, and speak to students and non-administrative level staff and faculty. Additionally, the SBHE members should be advocates for the students and employees of the different institutions before the legislative and executive branches of the state government. - NDUS employee*
- We need effective board member selection and education. Change the structure if you wish, but structure is not the problem. Nothing better will happen unless board members fulfill their fiduciary responsibilities and exhibit good governance practices. For years, members have lacked governance education, ignored their fiduciary duties, pursued personal agendas, pandered to bullying legislators, and selected/retained unqualified executives. Accreditors require the board to govern each institution on its merits, yet some members have never even seen them all. In any model, select qualified, responsible people and require them to learn governance. - Former NDUS employee*
- I believe to accomplish this goal, we need to figure out how to remove political motivations from the board to restore a focus on higher education. How do we ensure the board stays focused on making decisions based off what is best for the NDUS rather than how this would be perceived by the legislature or other political powers? - NDUS employee*
- The SBHE needs to be composed of people who understand both the value of higher education and the challenges it faces. The current selection process gives us political nominees with only passing acquaintance with what universities actually do. - NDUS employee*

III. Comments about Shared Governance (6)

- *When it comes the SBHE, find ways to encourage grass-roots leadership and shared governance. SBHE members should primarily be people who have first-hand experience of what it's like to study *and* work in the higher education industry, in order that they can make the most well-informed decisions. - NDUS employee*
- *Faculty are the engines of innovation, not the enemies. Innovation cannot happen without them. Leaders who disparage faculty engagement and shared governance are dooming their universities. - Former NDUS employee*
- *Consider the combination of the Faculty and the Students. These are your two most important stakeholders. Faculty, Staff and Students should have a strong voice in the governance of higher education. – Employment information unlisted*
- *Any future governance system must listen more to the faculty and administrators who are in each local campus and take the unique mission and needs of each campus into account. - NDUS employee*
- *Ask the employees of each campus what the Task Force should take into consideration for governance - they are your best sources of what needs to improve. However, they can't get their hands slapped or their jobs cut because they chose to speak up. - Health care worker*
- *Faculty have been squeezed by budget cuts for three years and frozen salaries. Faculty are doing different pedagogical strategies than even five years ago and students may not be aware of these strategies. More input from faculty needs to happen. – Professional services employee*

IV. Comments about Curriculum/Offerings (13)

- *For Dickinson State University to meet the changing needs of the surrounding community, the university needs the flexibility to offer course work at many levels, including certificates, 2-year programs, 4-year programs, and graduate programs. However, the current system makes it very difficult to broaden our course offerings. Many times our proposals receive strong push back from other members of the system. While we recognize that duplication of programs may occur, we are the only university in the southwest region and therefore need to be given the latitude to meet the needs of this region. - NDUS employee*
- *Make distance education more available with more colleges and universities. - K-12 educator and NDUS alumnus*
- *Heed the Joint Statement on the Value of Liberal Education by AAC&U and AAUP: "...we believe that institutions of higher education, if they are truly to serve as institutions of higher education, should provide more than narrow vocational training and should seek to enhance students' capacities for lifelong learning. This is as true of open-access institutions as it is of highly selective elite colleges and universities. The disciplines of the*

liberal arts—and the overall benefit of a liberal education—are exemplary in this regard, for they foster intellectual curiosity about questions that will never be definitively settled—questions about justice, about community, about politics and culture, about difference in every sense of the word. All college students and not solely a privileged few should have opportunities to address such questions as a critical part of their educational experience.” - NDUS employee

- *Liberal arts and sciences are an essential pairing for a populace able to think critically and contribute to the common good. Conversation with people of many opinions and experiences is also crucial. This can't happen only online. Nor can it happen when morale is low because our universities are underfunded and underappreciated. Innovation should be a partnership with faculty and staff, not a way to eliminate employees. -Retired non-profit sector employee*
- *Recognize that reinvention and innovation have been part of NDUS for years. There are many with great vision in the system. It's a mistake to think otherwise. We can build further, of course. For example, our medical school is recognized nationwide as an innovator, but novel curriculum development to consider for the benefits of our outstanding facility is always underway. - NDUS employee*
- *Explore possibilities of an institution like Bismarck State College offering Bachelor degrees in some liberal arts courses. - NDUS employee*
- *That MANY students are not suited for online education, it is a format that would inhibit learning for some, not promote it. Having the community colleges teach the online 100-200 level courses and not have the universities offer them, it's a duplication. - NDUS employee from Bismarck*
- *NDSU's nursing program in Bismarck is a great example of what should have never been allowed to happen. UND has a program and Dakota School of Nursing has programs along with Bismarck as a program I believe. Our system colleges should not be competing against one another for students at the state's expense. - Finance industry employee from Mandan*
- *In a more connected society, the collaboration between the different institutions can be better, as well as the connection between Higher Education and K-12. - NDUS employee*
- *Focus on duplicated programs, which programs the state already offers via online programs, and do not duplicate. Who approves teaching loads for Directors of programs within institutions, cuts in pay, demotions other than the President? - Health care worker*
- *Online education is not the replacement it is suggested to be. Would you allow yourself, your spouse or your child to have surgery to remove cancer by a physician who got their medical degree online from Venezuela? Direct learning is essential. Including at the undergraduate level. - NDUS employee*

- *Value a liberal arts education. Teaching students to learn and think (both analytically and creatively) is a better long-term investment than a skill set. - NDUS employee*
- *I would like the task force to consider two things: First, a diversely trained workforce is built upon an institutional and program diversity. This means that the goal of equivalency should not be uniformity. Public Speaking at one institution should be equivalent to Public Speaking at another institution, but these courses should not be identical. When graduates of both institutions work together in their careers, their equivalent but different educational experiences helps create a diverse workforce. Second, the current system is bogged down in antiquated concepts of credit hours and grades to measure faculty and student work load and performance. Changing from this model would allow the system to move more nimbly from information transfer mode into more creative and innovative modes of education. - NDUS employee*

V. Improving Perception and the Value of Higher Education (6)

- *I would like to see the Task Force focus on the needs expressed by the students as well as providing a focus on connecting the passions of university employees to the classes they are teaching. Respect higher education to the point where we can fund their vision and not continuously lower their operating budget. How do we empower students to develop their passion areas into potential careers, careers that may not have been invented yet? How do we create an individualized education system focused on student needs and passion? How can we increase the respect for higher education from North Dakota legislature? - NDUS Alumnus and Health Care worker*
- *The economic and societal impact of each college cannot be understated. For many small communities, these anchor institutions are the very core for all activities, directly related or not. Efforts should be made to work with local communities to further enhance their local institution in ways that compliment and bolster keystone industries. While the paper equation may not always make sense, such investments into these community institutions are necessary to keep North Dakota, especially the rural communities, competitive. - Utilities services employee*
- *Higher education is not a business -- it is a not-for-profit system that exists to serve, educate, invent, and develop resources for ALL citizens, not just a subset of citizens, i.e, business. With leadership that understands, appreciates, and supports the core mission of higher education, there is no need to change the governance structure. Sadly, the state does not have that leadership. – Employment information unlisted*
- *In all the wrangling about position and politics and funding, it is too easy to lose sight of the purpose of higher education in North Dakota: Helping people learn. This help and learning take many forms, from classrooms to research to arts performances to extension services to continuing education to availability of information and knowledge in libraries, faculty expertise, and other campus resources. I hope that the Task Force can keep that clear and complex purpose in mind with any decisions you make about the governance model for our colleges and universities. The standards and criteria of a*

factory are not identical to those of education, and the logic of efficiency is not always the logic of effectiveness. Efficient education has value, but it is not more valuable than effective education. We should be helping people build lives not just livelihoods. What we do now impacts the future, not only in the lives of our current students, but also in the quality, effectiveness, and sustainability of our colleges and universities. - NDUS employee

- *There is no better way to recruit talented people into the state than through our universities. Not only do they contribute to our economy when going to school, they often stay in ND to work and raise families. Education and university-based research are an investment in the future of ND. Ag, Tech, and energy are all viable strength to build and diversify our economy. - NDUS employee*
- *I would like to see the Task Force realize that these institutions are vital to each community that they are part of. I applaud the Task Force and their efforts but I hope they realize large universities are not always better. I'm thankful for my education at Valley City State. - Finance industry worker and NDUS alumnus*

VI. State Investment in Higher Education and Institutional Spending (20)

- *Preservation of employee benefits as well as modest pay raises. - NDUS employee*
- *To continue serving the students who attend BSC it is imperative that we have funds for current technology. Our laptops/iPads/projectors etc. are all in need of service but due to current layoffs we do not have the employees needed to keep our technology up to date and most of our operating systems are old. If we have to cut more of our budget it will have to be employees that we fire since we cut everything (including people) in the last budget cycle. We are already doing our jobs with less, much less than is needed, it is not possible to cut more. Our pay scale is not competitive with k-12 and we are losing qualified faculty in some cases as they quit for higher paying jobs. - NDUS employee*
- *No leader has ever cut his way to constructive change, innovation, or success. The institutions' financial condition is dire. Acceding to more cuts may be realistic, but it certainly is not leadership. Sophisticated, creative, realistic strategies to transform the institutions and the business model will not create themselves. Hiring a thug to get presidents in line is not leadership, and it won't solve today's problems, either. - Former NDUS employee*
- *Fund our universities. Will the only option for today's children or ND be to go out of state for education? At this point, the feeling is that our governor is out for blood and wants to kill higher ed in ND. I'm planning to send my kids away as a result of Burgum's dismantling of higher ed. - Finance industry employee*
- *Higher Ed has received so many budget cuts, we're losing great employees, instructors and staff because of pay. If we continue to cut, it will ultimately be at the expense of the students, their education and experience will be lacking. Keep our ND higher ed*

education strong, let us be proud to be a part of making our students prepared for the future. - NDUS employee

- *Across the board cuts are taking a hatchet to a problem that might be more suited to a scalpel. I encourage you to look at the value provided by small technical programs and not lump everything together with larger programs. Consider the funding per student and how across the board cuts hurt smaller, more efficient programs disproportionately. -NDUS employee*
- *Take into consideration the cost of education and the wages after graduating. The cost of my BA in accounting with a minor in finance was \$70,000. I currently make 48,000 a year with my student loan payment at 380 per month.... keep in mind that is a 30-year loan!!! It is sad that getting a college degree is a burden not a benefit! - NDUS alumnus*
- *We have a wonderful system but it needs funding. We cannot continue to cut and still provide the high level of education and service. Please stop cutting higher ed. Let us continue to do our work! - NDUS employee*
- *Higher education needs greater funding and diversification into the trades to bring people into the state and give incentive to stay. - Buildings services employee*
- *Wasteful spending of Higher Ed and rubber-stamping plans by the higher ed board. - Professional services employee*
- *One of the largest problems I see with our institutional services is the number of executives on staff. We currently have almost more management than faculty. This makes our institutions very top heavy, but of course when they are in charge of doing the cuts this will not be pointed out. Reduce management. - NDUS employee and alumnus*
- *I would like the task force to take into consideration the budget cuts that have been handed down to Higher Education. Without proper funding, how are we to retain competent Professors and instructors to provide quality education to the communities they serve? I have observed several "Good" instructors looking for other work in their perspective backgrounds since they are not able to sufficiently provide for their families with these cuts and losses in cost of living increases in their salaries. This is a great concern to me and other higher education employees. I hope that this is addressed and resolved. Thank you. - NDUS employee*
- *Open up NDUS employees to study courses tuition free at NDUS - NDUS employee*
- *I would like to see an evaluation done on mechanisms to limit administration. As the university grows, the number of administrators grow, but not the number of faculty. Administrative costs need to be better tracked and controlled to ensure tuition and state dollars are spent efficiently. - NDUS employee*

- *When it comes to money, allow each campus as much flexibility as possible handling their budgets. Budget cuts happen, but you shouldn't force them to cut specific areas. Let each institution decide where to cut. Maybe they can increase pay and program support in some areas by cutting others. - Finance industry employee*
- *The high number of staff and faculty who have left the university system in the previous two years due to buyouts, RIFs, vacant positions, low salaries and workplace morale. Please consider how the social fabric is unwoven when these incredibly intelligent, engaged people are no longer contributing to the success of our public institutions. - Non-profit sector employee*
- *No more budget cuts to higher education. Restore funding lost due to previous budget cuts. - NDUS employee*
- *Higher education cannot handle any more budget cuts. Colleges and universities are CRITICAL to our societies future to educate young people, develop new technologies to serve the needs of citizens, and make data driven decisions. Faculty salaries are too low and we are losing good teachers and researchers every year. Let's be a SMART state and invest in higher education! - NDUS employee*
- *I would like the Task Force to take into consideration the fact that the NDUS has already been cut to the bone after that last legislative session. We are all doing with less and students are not being offered the class options they had in the past. If there is another round of cuts in Higher Ed, the students will suffer and we risk the system as a whole. - NDUS employee*
- *I joined UND as a faculty member in 1998. During the time of spending increase per student (2009-2016) I witnessed a dramatic increase in the quality of education being offered. Students were working harder - engaging in healthy competition among themselves and engaging with material and added opportunities in more meaningful ways than prior to 2009. Consider per-student funding levels as a good indicator of student engagement and educational quality. - NDUS employee*

Miscellaneous (6)

- *Please add to the century code school counselors for pre-K and elementary grades. We are doing well with our 7th - 12th legislative mandate. From a developmental and prevention perspective, we need to add the elementary grades. This will further our economic development. Thank you! – NDUS employee*
- *We need to prepare professionals who can meet the widespread addiction issues in ND, and higher ed is essential in that task. School-based health centers could also be a critical component to a healthier ND. – NDUS employee*
- *Value for credits at 4-year schools, not completed. – Employment information not listed*

- *The standards of the professional organizations and societies of the disciplines that are taught. Nationally and internationally, those are considered the measures of excellence in each of the disciplines. - NDUS employee*
- *Higher education is much more than “transfer of knowledge.” – K-12 educator*
- *People, whose life lies in the cultivation of one science, or the exercise of one method of thought, have no more right, though they have often more ambition, to generalize upon the basis of their own pursuit but beyond its range, than the schoolboy or the ploughman to judge of a president. But they must have something to say on every subject; habit, fashion, the public require it of them: and, if so, they can only give sentence according to their knowledge. – NDUS employee*

APPENDIX I
August Higher Education Governance Task Force Meeting Materials

TASK FORCE OPTIONS FOR RESTRUCTURING

North Dakota Task Force on
Higher Education
Governance



1

Facilitators

Rich Novak
Senior Fellow
AGB

Merrill Schwartz
Senior Vice President
AGB Consulting



2

Agenda

- Welcome Remarks from Governor Burgum
- Goals for the Day
- Variables in the Options
- Six Options
- Questions and Discussion
- Decision on Top Three Preferred Options
- Next Steps for September 28th Task Force Meeting



3

Goals for High Functioning Governance

- Nimble
- Innovative
- Enterprising
- Technologically adroit
- Partnership-oriented
- Cost conscious
- Providing autonomy



4

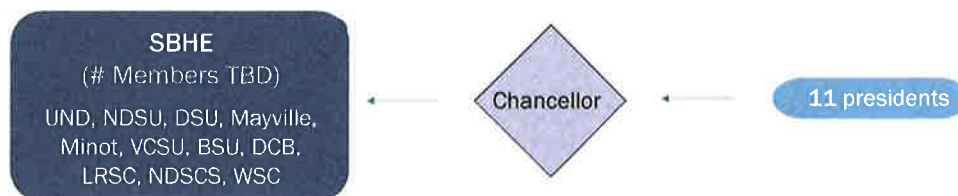
Variables in the Options

- **Coordination and Governance**—same or different bodies; level of authority for policy at state vs. institutional level; degree of coordination; essential state role (data collection, state and federal reporting, state student financial aid; etc.); accreditation standards
- **Number of Governing Boards and Span of Authority**—ranging from one board over all 11 institutions, to 11 boards (one for each institution), to options for segmental boards (research, 4-year, 2-year CC, and variations)

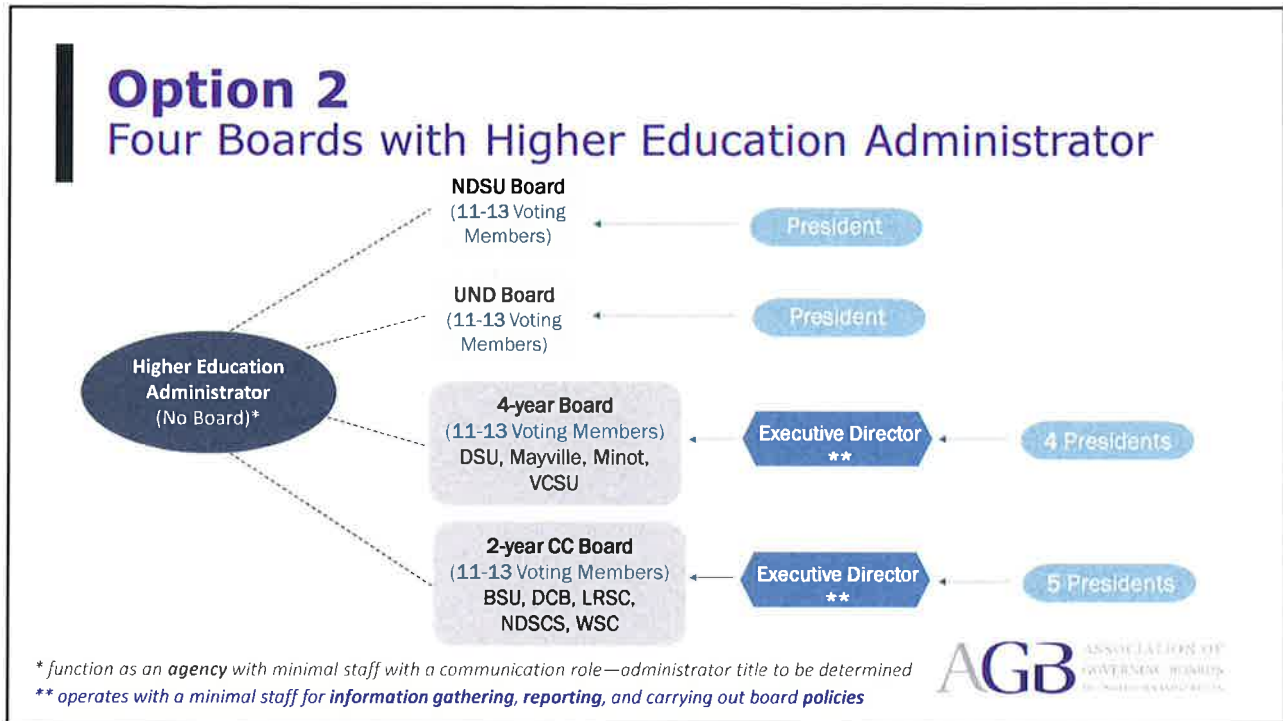
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Option 1

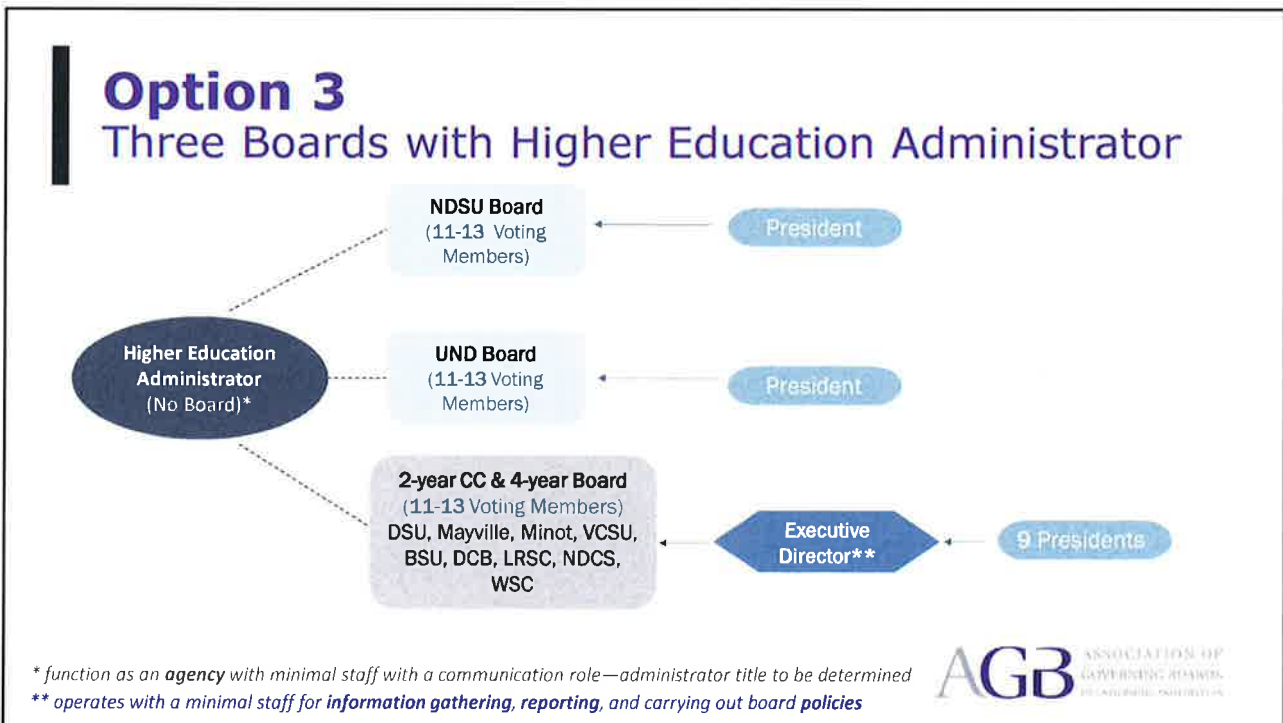
Improvements on the Current Model



6



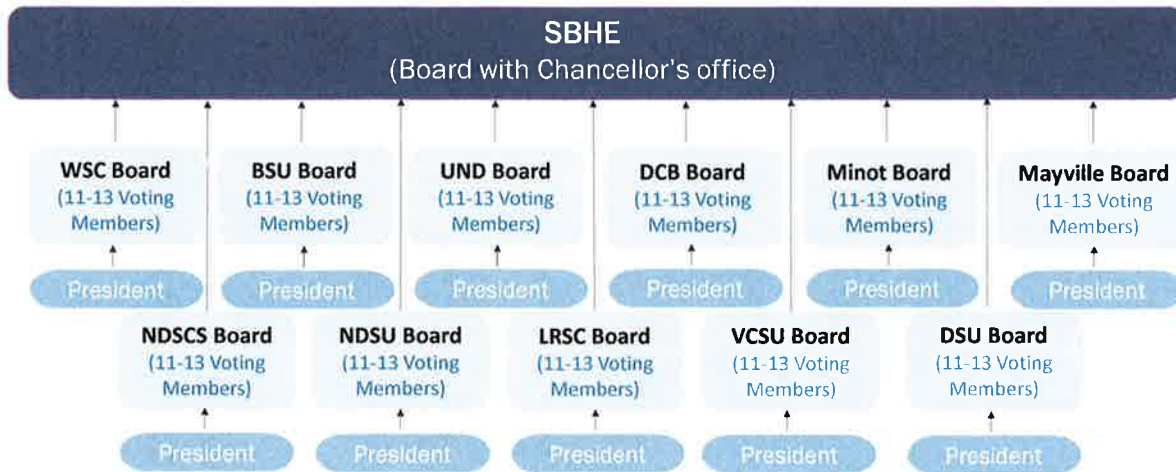
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Option 4

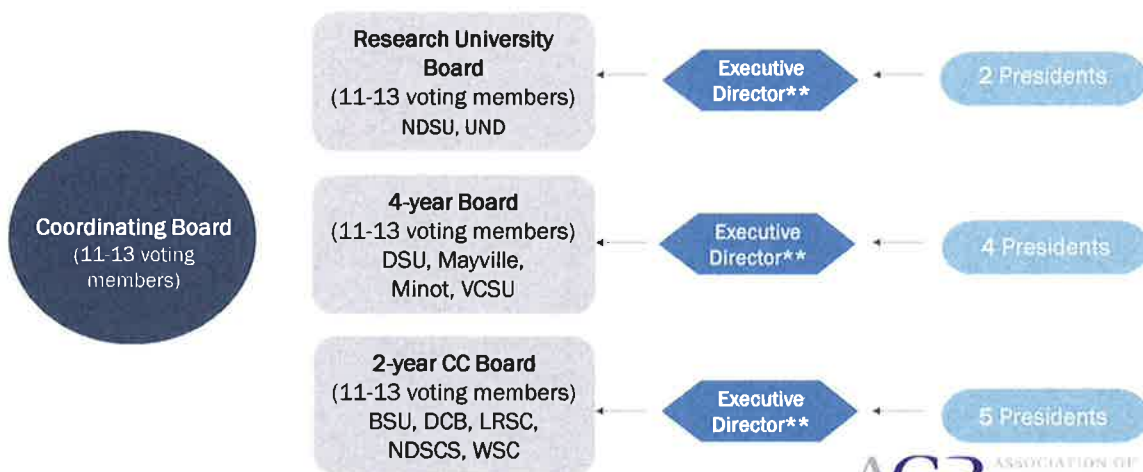
Retain SBHE and Add 11 Institutional Boards



9

Option 5

Strong Coordinating Board and 3 Segmental Boards



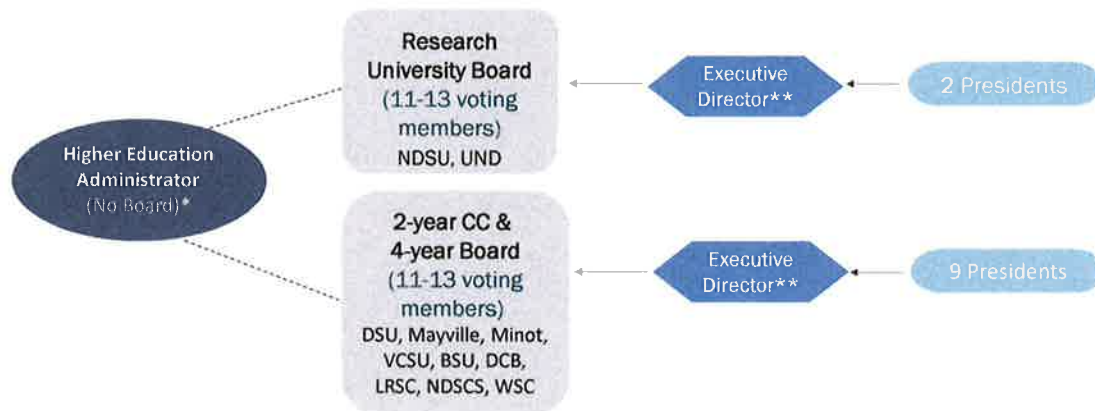
** operates with a minimal staff for information gathering, reporting, and carrying out board policies



10

Option 6

Two Boards with Higher Education Administrator



* function as an **agency** with minimal staff with a communication role—administrator title to be determined

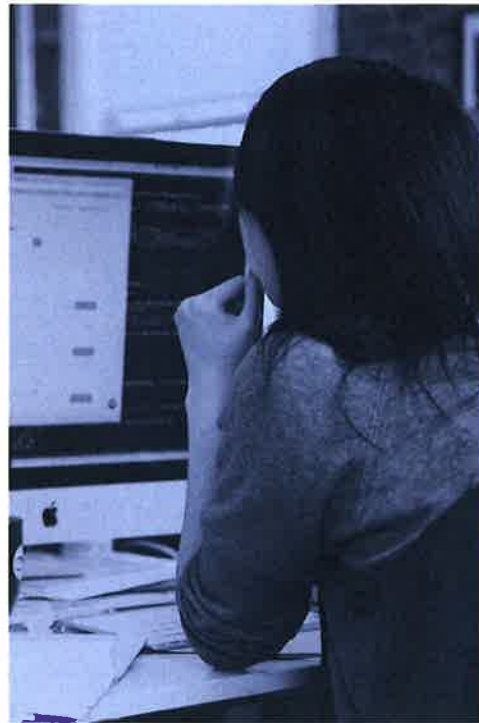
** operates with a minimal staff for **information gathering, reporting, and carrying out board policies**



APPENDIX J
September Higher Education Governance Task Force Meeting Materials

TASK FORCE OPTIONS FOR RESTRUCTURING

North Dakota Task Force on
Higher Education
Governance



Facilitators

Terry MacTaggart
Senior Fellow
AGB

Tom Meredith
Senior Fellow
AGB



Agenda

- Welcome Remarks from Governor Burgum
- Goals for the Day
- Four Options
- Questions and Discussion
- Public Comment
- Decision on Task Force Recommendation
- Next Steps for October 31st Task Force Meeting

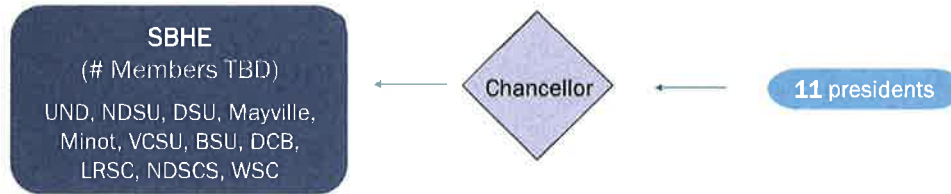


Goals for High Functioning Governance

- Institutional Autonomy
- Nimble
- Innovative
- Enterprising
- Technologically adroit
- Partnership-oriented
- Cost conscious



Option 1 Improvements on the Current Model



Recommended changes: more board members, longer terms, improved selection process, exceptions for residency requirement, more board training, more strategic focus for board work

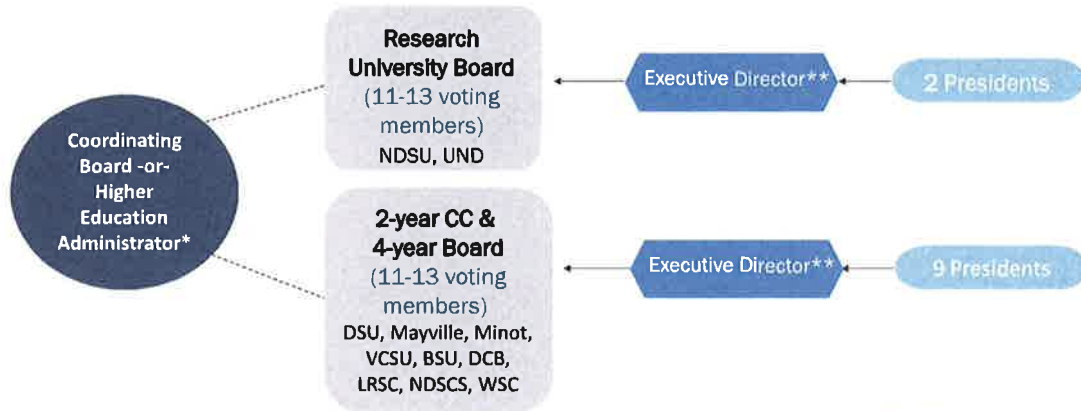


Coordinating Board or Higher Education Administrator?

- **Coordinating Board**—authority to make state level policy and hold institutions accountable with mission of meeting state level goals; administers state programs; may have authority to submit consolidated budget request to legislature; manages state and federal data collection and reporting; approves new programs; administers state student financial aid.
- **Higher Education Administrator**—Governor’s staff, state higher education policy advisor/administrator, staff determined by role. Advisory oversight, but no authority over governing boards.



Option 2 Two Boards with Coordinating Board or Higher Education Administrator

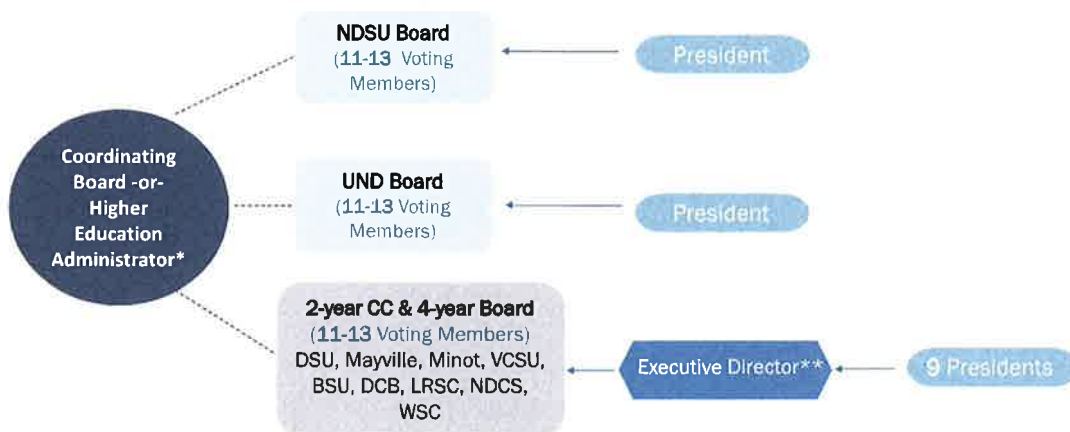


* State level entity needed; authority and duties to be determined

** Operates with a minimal staff for information gathering, reporting, and carrying out board policies



Option 3 Three Boards with Coordinating Board or Higher Education Administrator

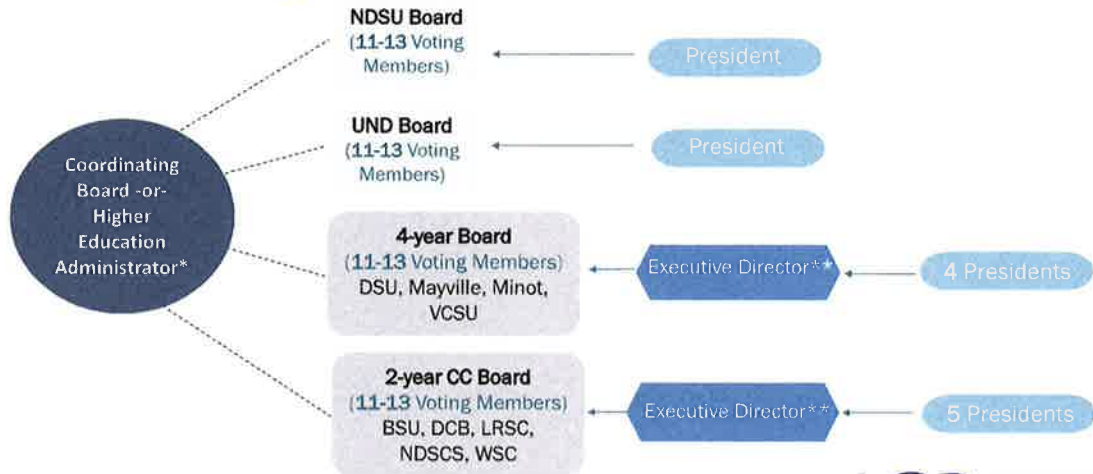


* State level entity needed; authority and duties to be determined

** Operates with a minimal staff for information gathering, reporting, and carrying out board policies



Option 4 Four Boards with Coordinating Board or Higher Education Administrator



* State level entity needed; authority and duties to be determined

** Operates with a minimal staff for information gathering, reporting, and carrying out board policies

AGB ASSOCIATION OF GOVERNING BOARDS OF SOUTHERN COLLEGES

Questions and Discussion

AGB ASSOCIATION OF GOVERNING BOARDS OF SOUTHERN COLLEGES

State Higher Education Coordination, Higher Education Administrators, and Related Topics and Issues

Prepared for the Task Force on Higher Education Governance
by AGB Consultants

September 28, 2018

About half of the states have a coordinating entity—a board or higher education office with a state higher education executive (or higher education administrator) who is appointed either by the board or the governor. The authority of these entities varies considerably.

As the Task Force on Higher Education Governance concludes its deliberations of a governing structure for the state's 11 colleges and universities, what follows will hopefully illuminate the task force's recommendation as to what, if any, coordinating board, executive office or higher education administrator is desirable. It does not appear that a constitutional amendment would be required to create such an entity.

Such a board, office or administrator can serve as a home and needed voice to advance consistent state higher education policy and any related regulations deemed critical to a successful higher education system. Such entities also perform several functions for the state that are not directly related to governing, but are nonetheless, important statewide activities, some which may be required by law—conducting studies for the legislature, licensing institutions, or administering a state scholarship program, to name three. (A separate document lists these similar functions currently conducted by the NDUS that would likely need to be sustained elsewhere if the SBHE and NDUS were to be eliminated.) Some states have chosen not to create such a board, agency or administrator, and have assigned those statewide functions deemed necessary or required to an existing executive office or dispersed them among multiple offices. Michigan is the foremost example.

What follows in the appendix are descriptions of eight models of state coordination of higher education, with occasional references to additional states. Members of the task force can consult the appendix to read specific details of any or all eight states.

The states described are chosen as examples along a continuum of authority—beginning with Michigan through to two states with a coordinating board with extensive authority, Kentucky and Oklahoma. Note: In all of state models there is no statewide higher education governing authority, such as the SBHE. A statewide governing authority usually precludes the need for a statewide coordinating entity,

which would be seen as duplicative and unnecessary. (See the companion document, *Statewide Coordination vs Statewide Governance*, which has a table comparing governing board and coordinating board responsibilities). As such, what follows in the appendix has relevance for Options 2, 3 and 4. These three options, along with Option 1 with constitutional changes, were advanced at the August 13 meeting as viable governance structures for North Dakota higher education going forward.

For the purposes of the Task Force regarding the states described, it's best to categorize New Hampshire, Minnesota, New Jersey, and New Mexico as being led by a higher education administrator, for no other reason than there is no coordinating board present in these four states.

Oklahoma, Texas and Kentucky are best categorized as states led by a coordinating board. These three states have a board that was created by statute or constitution, which in turn employs an administrator appointed by and reporting to the board. New Hampshire straddles the line in that there is a commission (board) present. But because both the commission and the administrator are housed within the state department and state board of education, it's best to classify New Hampshire as a state led by a higher education administrator.

There is another major difference between a state led by a higher education administrator and a state led by coordinating board. This difference is the level of political independence the coordinating board and its executive possess, as opposed to a higher education administrator who is a governor's appointee and whose time in the position will typically coincide with the Governor's term of office, or while the same political party is in office. As noted in some of the state examples, many feel that an independent, free standing coordinating board leads to sustained, non-partisan attention both to the needs of higher education and to the needs of the state that higher education will be required to address. An independent coordinating board is still part of state government, and if it is to be effective it must be continually attuned to the opinions and input of college and university leaders and governors and legislators. Others may counter argue that a higher education administrator with a close working relationship with his/her governor, can not only transcend politics or political party, but also more quickly develop and implement sound policies than would a coordinating board.

Thus, there can be a major similarity between a state led by a higher education administrator and a state led by coordinating board. A higher education administrator and the office or agency he/she leads can have either limited or extensive authority, just as can a coordinating board. The limit or extent of authority depends on what's prescribed in law, and on the effectiveness of the leader. As an example, New Mexico's higher education administrator (a cabinet-level secretary) and the higher education department she manages exerts considerable influence over public institutions comparable to a strong coordinating board state.

As the task force considers the question of a coordinating board or higher education administrator, it should keep in mind the goals for a 21st Century governance system discussed earlier. The system would be:

- Characterized by Institutional Autonomy
- Nimble
- Innovative
- Enterprising
- Technologically adroit
- Partnership-oriented
- Cost conscious.

These characteristics apply, in part, or in total, to the coordinating entity as well.

APPENDIX

The state profiles that follow are based on excerpts from Education Commission of the States, appear with permission, and have been updated with information from each state's website, as needed

(<https://www.ecs.org/postsecondary-governance-structures-state-profiles/>).

1. States with no state-level coordinating board or entity, or state higher education administrator.

Michigan

Name of office or agency: N/A

Board: N/A

Title of state higher education administrator: N/A

Michigan does not have a state-level coordinating board or entity, or state higher education administrator. Under the 1963 state constitution, very limited state postsecondary coordinating functions are assigned to the State Board of Education, which has primary responsibility for elementary and secondary education.

The Board of Education's responsibilities are very limited to licensing authority for vocational and proprietary institutions; and charter approval and reimbursement authorization for private colleges awarding certain degrees. The Michigan Higher Education Assistance Authority, administratively attached to the Board of Education, serves as the state student assistance agency.

The Michigan Association of Universities, comprised of the presidents of the states 15 public institutions provides voluntary coordination on several issues for its member institutions. It sometimes partners with state agencies on federal grant programs like the GEAR-UP program (Gaining Early Awareness of Undergraduate Programs) with the state's Department of Career Development.

Governing boards/institutions: All institutional governance is undertaken by separate institutional governing boards which include: ten boards of control of trustees appointed by the governor for four-year public colleges and universities, each responsible for a single institution; the elected Board of Regents of the University of Michigan, a board governing three branches of the university, the elected Board of Governors of Wayne State University and the Board of Trustees of Michigan State University, all constitutional boards responsible for a single senior public institution. The 29 public two-year community colleges each have regionally elected governing boards.

Observation and commentary: Michigan is a good example of a state without a coordinating board or entity, or higher education administrator. In fact, on two

occasions the state's major universities, being constitutionally established, successfully sued the state board of education for intrusions into university authority and autonomy.

California, Pennsylvania, Vermont, and Wyoming are states that join Michigan in this category in that no (or very minimal) state coordination is present. These five states are included in this paper to show that there is no requirement that a coordinating board or higher education administrator must be created. It should also be noted that these states must still designate a state office or executive agency, such as the state department of education, to collect federal postsecondary data, administer federal education grant programs awarded to and dispersed by the state, and award state and federal student assistance. Additional functions are sometimes handled by college and university system offices, or as in Michigan, by the Association of Universities. There is no single, chief spokesperson for higher education in the state; that role has historically rotated between the presidents of the University of Michigan, Wayne State University, and Michigan State University.

2. State with minimal coordinating authority, or authority in narrowly defined areas.

New Hampshire

Name of office or agency: Division of Higher Education, State Department of Education

Board: Higher Education Commission

Title of state higher education administrator: Division Director, appointed by the Governor and reporting to the State Commissioner of Education

Responsibilities: New Hampshire houses its coordination in the State Department of Education, in its Division of Higher Education. Its responsibilities are limited to limited to student financial aid, veterans' education services, and licensing of private career schools. It is guided by a 19-member Higher Education Commission, comprised of the chancellor of the Community College of New Hampshire, the chancellor of the University System of New Hampshire, 10 college presidents of two- and four-year public and private higher institutions, and 7 ex-officio and citizen members.

Governing boards/institutions: New Hampshire has a four university system, the University System of New Hampshire and a two-year college system, the Community College of New Hampshire.

Observation and commentary: Slightly more statewide coordination than in Michigan is present in New Hampshire, executed by its Division of Higher Education. With two public systems for two- and four-year institutions, any significant level of coordination would be unnecessarily duplicative. The Commission on Higher

Education is a balance of institutional and citizen interests. Because of the large presence of private higher colleges and universities in New Hampshire, the Commission is well represented by the presidents of private higher education. The Commission does play a limited role in approving academic programs and degrees of private career schools. However, the role of the Commission is in part advisory, since it, like the Division of Higher Education, is housed in the Department of Education and overseen by the State Board of Education. By all accounts, the Commission and Division fulfill their roles effectively.

The chancellor of the University System of New Hampshire and the president of the system's flagship institution, the University of New Hampshire, share the role of chief spokesperson for higher education in the state.

Alaska and Washington are two states that exert a comparable level of minimal state coordination, Alaska through its Commission on Postsecondary Education and Washington through its Student Achievement Council. Like New Hampshire, both have an advisory board or council comprised in part by representatives of higher education institutions and a higher education administrator with limited, prescribed duties.

3. States with cabinet-level office or gubernatorial-appointed state higher education administrator housed in an executive office, but with limited authority over postsecondary education. No statutory board or commission exists.

Minnesota

Name of office or agency: Minnesota Office of Higher Education

Board: N/A

Title of state higher education administrator: Commissioner (appointed by the Governor)

Responsibilities: The Minnesota Office of Higher Education is a cabinet-level state agency providing students with financial aid programs and information to help them gain access to postsecondary education. According to its website, the office also serves as the state's clearinghouse for data, research and analysis on postsecondary enrollment, financial aid, and finance and trends. It is also advocating for increasing the percent of Minnesotans holding a degree or certificate to 70 percent by 2025. The agency oversees the state's largest grant program, state scholarship programs, tuition reciprocity programs, a student loan program, and Minnesota's 529 College Savings Plan. It also protects and informs educational consumers. In addition to these functions it also licenses higher education programs in Minnesota.

Governing boards/institutions: The Board of Regents of the University of Minnesota and the Board of Trustees of the Minnesota State Colleges and Universities

(MINSCU) serve as the institutional governing boards for the state's two university systems.

Observation and commentary: Minnesota has never seen the need for a strong coordinating presence, with the dominance of the University of Minnesota. With the added presence of the MINSCU system in 1995, this sentiment only grew. The Office of Higher education was also created in 1995 and replaced a somewhat weak state coordinating board and agency. By all accounts, the Office of Higher Education fulfills its mandate effectively.

New Jersey

Name of office or agency: New Jersey Office of the Secretary of Higher Education
Board: Higher Education Advisory Council
Title of state higher education administrator: Secretary of Higher Education
(appointed by the Governor)

Responsibilities: New Jersey has a cabinet-level Secretary of Higher Education. The office of the Secretary collects institutional data for state and federal reporting requirements (like the Integrated Postsecondary Education System) and state enrollment and college completion data, provides students and education consumers with information, administers the federal GEAR-UP program, is instrumental in the state's STEM initiative, licenses all in state providers, writes a statewide plan for higher education, and retains an academic program inventory of all programs in New Jersey. An advisory council provides advice and counsel to the Secretary but has no statutory responsibilities for institutional oversight or coordination.

The Higher Education Student Assistance Authority (HESAA) administers state scholarship and grant programs, a college savings program and a state supplementary loan program, and serves as the guarantor for the various federal guaranteed student loan programs. The HESAA is not part of the Secretary's office.

The New Jersey Presidents' Council, created by state law in 1994, consists of the presidents of the state's 31 public institutions, the 14 independent institutions receiving state aid and four representatives of the 11 other non-public degree-granting institutions licensed by the Secretary. The Council's responsibilities include reviewing and commenting on new academic programs; providing research and public information on higher education; advising the Secretary on state planning, institutional licensure/mission and costly/duplicative new academic programs; making recommendations on statewide higher education issues, state aid and student assistance; and encouraging regional and cooperative programs and transfer articulation agreements.

Governing boards/institutions: There are 11 governing boards in New Jersey for Rutgers University and 10 additional senior universities. In addition, there are 19 individual community college boards each governing a single public institution.

Observations and commentary: For three decades prior to major governance restructuring in 1994, New Jersey had one of the nation's strongest higher education coordinating boards and agencies. The Office of the Secretary has nowhere near the authority of the earlier agency. It has failed to advance a statewide strategic plan or agenda in recent memory, nor does its website make mention any pending effort to do so. The Secretary, as a political appointee, serves at the pleasure of the Governor, and will exit the position with each successive Governor or change in political party. This occurred in January 2018. Many feel that this fact harms the development of sustainable higher education policies.

The creation of the Presidents' Council in the same 1994 restructuring legislation, shifted primary responsibility for program approval to college presidents, even though the Council's authority is technically advisory. The council has executed this responsibility with apparent diligence and integrity, in addition to its several other advisory responsibilities. In addition to the Secretary's office and the Presidents Council, three institutional associations—of community colleges, of New Jersey's several private institutions, and of the 9 regional state colleges and universities—exert considerable influence on statewide higher education policy development. The state's chief spokesperson for higher education tends to rotate among these three association heads, as well as the presidents of Rutgers University and Princeton University.

4. A state with a cabinet-level secretary for higher education administrator in an executive department with broad legal authority exerting considerable leverage over public institutions. No statutory board or commission exists.

New Mexico

Name of office or agency: New Mexico Higher Education Department

Board: N/A

Title of state higher education administrator: Cabinet Secretary for Higher Education

Responsibilities: The Higher Education Department, an executive office in the Governor's office, has responsibilities in several areas: adult education, financial aid, administering federal grant programs, licensing, establishing institutional finance, reviewing and approving institution's capital projects, student transfer policies in general education, reviewing and approving academic programs, hosting occasional education programs for institutional trustees, maintaining a statewide data system (including a performance dashboard on each college and university), and coordinating federal data reporting for IPEDS. The Department has institutional advisory groups to assist its work.

Governing boards/institutions: New Mexico has seven four-year universities governed by seven separate boards of regents (the University of New Mexico and New Mexico State University have several two-year branch campuses), and seven independent community and junior colleges, each with its own board of trustees.

Observation and Commentary: Much of the work of the Department of Higher Education was the duty of a previous Commission on Higher Education, disbanded several years ago in favor of a cabinet-level office. The current secretary's effectiveness is tied to the Governor's interest in higher education and trust in the Secretary's work, some times to the dismay of the institutional boards and presidents. Being a political appointee, concerns about sustainable higher education policy coordination will likely surface after the November election, as current Governor, Susannah Martinez, is termed limited.

5. A state with a coordinating board and a state higher education administrator. The board has considerable statutory authority.

Texas

Name of office or agency: Texas Higher Education Coordinating Board

Board: Texas Higher Education Coordinating Board

Title of state higher education administrator: Commissioner (appointed by the board)

Responsibilities: The Texas Higher Education Coordinating Board (THECB) has statutory responsibility for approving or disapproving all degree programs and off-campus activities for public community and technical colleges and universities. The board also develops formulas for use by the governor and Legislative Budget Board in recommending legislative appropriations needed to finance public higher education institutions. The board is responsible for authorizing elections to create public community college districts and the adoption of standards for the operation of public community colleges. It also approves or disapproves most major new construction and repair and rehabilitation at public universities. The Coordinating Board administers state and federal student financial aid programs, and sponsors an annual trustee and regent workshop for all university boards of the state on best practices in governance. The board is composed of 18 members representing the general public, who are appointed by the governor with senate confirmation for 6-year overlapping terms.

The coordinating board approves associate of applied science and associate of applied arts degree programs offered at public and proprietary institutions. The Texas Workforce Commission is the licensing authority for proprietary institutions, including for-profit/proprietary vocational-technical schools.

To enhance cooperation between the coordinating board and the Texas Education Agency (which oversees public K-12 education), a joint P-16 Council was created (originally established in 1998 as the Public Education/Higher Education Coordinating Group).

Governing boards/institutions: Of the state's ten statutory university governing boards, six are responsible for multi-campus systems—including the University of Texas and Texas A&M Systems, and four for a single institution. There are 50 public community college districts in the state and one public technical college system.

Observation and commentary: The success of statewide coordination in Texas has been helped considerably by attention to appointments to the board by all recent sitting governors, and by long-term leadership in the commissioner position. Only three persons have held the post over the past 40 years; the current commissioner since 2003. (The commissioner is not a cabinet-level position.) Such stability has built trust with the institutions and enabled THECB to be an effective voice for sound policy, as well as a constructive critic of higher education. In the early 2000s, THECB developed a lasting state higher education public agenda called "Closing the Gaps" that highlighted the economic imperative for the state to educate greater numbers of Hispanic and African-American students. Keeping focused attention on the agenda and advancing its goals remains a critical part of the Board's work.

Virginia's coordinating body, the State Council of Higher Education has comparable authority and a similar track record to that of the Texas Higher Education Coordinating Board. In addition to similar duties and responsibilities, the Council also oversees the state's performance contracts that resulted from 2005 restructuring legislation. The legislation granted Virginia's colleges and universities enhanced operational autonomy and budget flexibility in turn for meeting explicit state goals and demonstrating a high level of management capacity. This added responsibility enhanced the Council's stature with the legislature and executive branch, and with institutions. Oregon's relatively new Higher Education Coordinating Commission, embodied with significant authority, is another state that bears watching.

Two additional states should be noted in this category, Alabama and South Carolina, and only because of shortcomings. The Alabama Commission on Higher Education and the South Carolina Commission on Higher Education are the two states' coordinating boards with authority on par with most peer state agencies. Both have gubernatorial-appointed commissions and executive directors accountable to the commissions. Yet both fall short of achieving their legislatively mandated missions.

As AGB discovered when conducting independent evaluations of both commissions—Alabama in 2010 and 2014 and South Carolina in 2003—this was due to several factors. They included uneven appointment of members to the commissions, persistent institutional push-back on perceived intrusion on institutional autonomy, the inability to craft a compelling strategic or public agenda

with broad stakeholder buy-in and support, the inability to develop fair and equitable institutional financing policies, alliances between institutions and key legislators to thwart commission initiatives, high turnover in the state higher education executive position, and in the added case of South Carolina's commission, a well-intentioned but overly complicated and ultimately failed attempt to implement a performance funding program for the state's colleges and universities. These two states exemplify the tensions and political obstacles that coordinating boards commonly face.

6. States with a coordinating board and a state higher education administrator. Among the coordinating entity states, these boards and their higher education administrators have statutory or constitutional authority that is the strongest.

Kentucky

Name of office or agency: Kentucky Council on Postsecondary Education

Board: Kentucky Council on Postsecondary Education

Title of state higher education administrator: President (appointed by the board)

Responsibilities: The Council on Postsecondary Education is the statutory coordinating agency for Kentucky's state-supported universities and the Kentucky Community and Technical College System of 28 community colleges and vocational-technical schools. The Council consists of 16 members appointed by the governor.

The Council has statutory authority to develop and implement a strategic agenda for postsecondary education; revise and approve missions and plans for the state-supported universities and the Kentucky Community and Technical College System; ensure a system of accountability; protect against unnecessary duplication; establish standards for admission to state-supported institutions; determine tuition rates; approve, modify or eliminate academic programs; make biennial budget recommendations; approve capital construction projects over \$400,000; ensure the transfer of credits; and develop a financial reporting system. The Council created Kentucky Virtual University in 1998, a free-standing online university. It was closed in the early 2000s for lack of enrollment. Numerous online education opportunities continue to be offered by several Kentucky colleges and universities.

The Council has the statutory authority to license all nonprofit colleges and universities, including private degree-granting institutions, which operate in Kentucky, as well as proprietary, baccalaureate degree-granting institutions. Other proprietary institutions, which award an associate's degree or other non-degree credentials, are licensed by the State Board for Proprietary Education. The Council also hosts and annual trustee education program for Kentucky's public and private board members.

The Kentucky Higher Education Assistance Authority (KHEAA) is the state agency responsible for providing student financial assistance

A state P-16 Council was voluntarily created in 1999. Its charge is to advise the Council on Postsecondary Education and the Department of Education on the preparation and development of teachers, the alignment of competency standards and the elimination of barriers impeding student transition from pre-school through the baccalaureate.

Governing boards/institutions: There are eight institutional governing boards for the state-supported universities and a governing board for the Kentucky Community and Technical College System.

Oklahoma

Name of office or agency: Oklahoma State System of Higher Education

Board: Oklahoma State Regents for Higher Education

Title of state higher education administrator: Chancellor (appointed by the board)

Responsibilities: The State Regents for Higher Education, established by constitutional amendment in 1941, is the coordinating board of control for public postsecondary education in Oklahoma. The membership of the regents is set by the constitution at nine members, appointed for 9-year overlapping terms by the governor with the consent of the senate, all representing the general public.

The regents have constitutional responsibility for prescribing standards, granting degrees, setting fees, determining budget needs and making budget allocations to all public institutions of higher education, both senior and junior. In addition, the regents have constitutional authority for planning and coordination of all postsecondary institutions, both public and private. The executive officer of the regents is appointed by the regents and serves at their pleasure. The State Regents also function as the state student assistance agency and function as the approval and licensing agency for public degree-granting institutions. (The Department of Career and Technology Education has supervision over the vocational and technical schools. The Oklahoma Board of Private Schools licenses the operation of proprietary schools.)

The State Regents also operate OneNet, the state's internet service provider used for college and university online education, by university researchers, university health care providers, as well as other public agencies throughout the state including those in rural areas.

Governing boards/institutions: Oklahoma's public higher education institutions are operated by 16 governing boards. Three are constitutional and oversee multi-campus systems: the Board of Regents of the University of Oklahoma, comprised of three institutions; the Board of Regents of Oklahoma Colleges, comprised of nine

institutions; and the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges, comprised of nine institutions.

Observation and commentary: The Kentucky and Oklahoma coordinating boards are at the end of the spectrum of coordinating authority, that is, they hold substantial authority over higher education institutions that in some areas, borders on governing control. Both agencies have benefited from stability in the executive officer position and from solid appointments to the Council and Board of Regents, respectively. The two agencies have retained considerable independence and have been able to operationalize their legal authority. Both have considerable stature and enjoy bi-partisan support. They also have a proven track record on establishing and moving the needle on the state's policy agenda.

The West Virginia Policy Commission on Higher Education and the Colorado Commission on Higher Education also possess similar powers, the former actually approving presidential appointments and compensation.

In all four of these states, the higher education executive and occasionally the chair of the board or commission are the chief spokesperson for higher education, or a role that they may share with the president of the state's flagship universities.

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APPENDIX K
October Higher Education Governance Task Force Meeting Materials



Higher Education Governance Task Force

Wednesday, October 31st, 2018

Agenda for the Day

- ▶ Discussion of Multiple Governing Board Options
 - ▶ Four Board Option
 - ▶ Three Board Option
 - ▶ Two Board Option
 - ▶ Potential Option of a Coordinating Council
 - ▶ Public Comment
 - ▶ Break
 - ▶ General Discussion/Motions for Task Force Recommendation
 - ▶ Next Meeting Topics, November 13
 - ▶ Adjourn
- 
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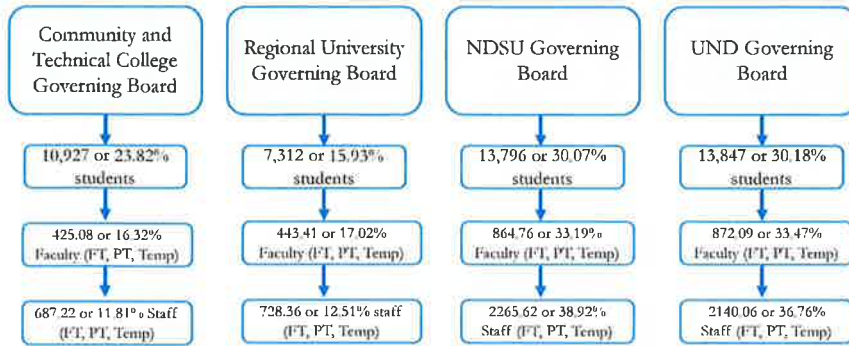
Current Process for Appointment to SBHE

- ▶ 8 voting members
- ▶ 2 non-voting member (appointment from College Faculties and Staff Senate)
- ▶ Requirements of appointment
 - ▶ Qualified electors and taxpayers of the state who reside in ND no less than 5 year preceding
 - ▶ 8th member is a full time resident student provided to Governor from NDSA
 - ▶ No person employed by institution or employed for a period of two years prior to board membership
- ▶ Appointment process
 - ▶ Governor nominates from a list of three names approved by four of the following:
 - ▶ ND Education Association (ND United), ND Chief Justice, Superintendent of Public Instruction, President Pro Tempore of the Senate, Speaker of the House of Representatives and with the consent of the Senate
- ▶ Term length: 4 years; two term lifetime limit

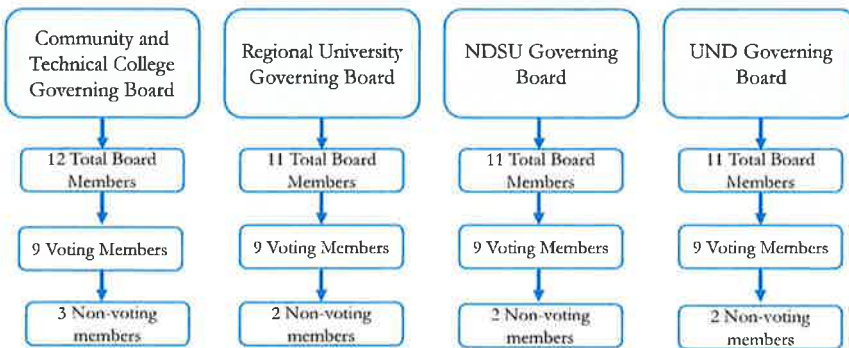
Multiple Governing Board Option Intro

- ▶ Starting framework for each option
- ▶ Addition of a coordinating council can be added to all
- ▶ Addition of “guardrails” to maintain what is working

Four Governing Board Option | Demographics



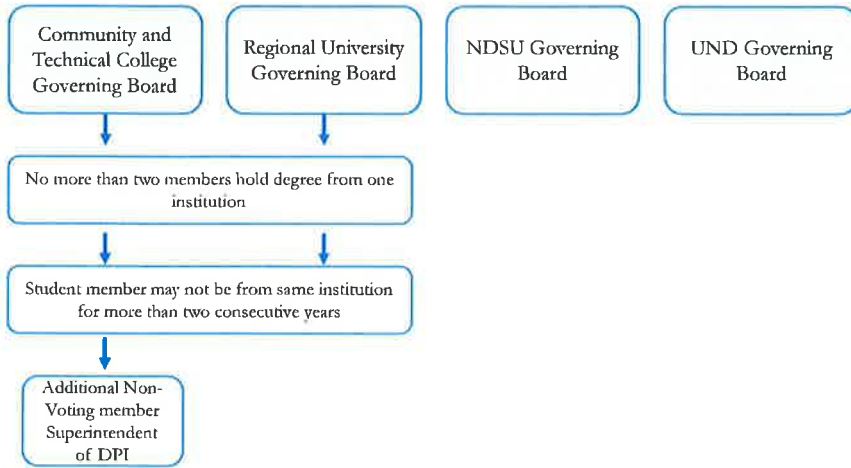
Four Governing Board Option | Board Composition



Board Member Requirements Common for Each Board

- Minimum of 5 voting members reside in the state
- Maximum of 3 voting members may be an alumnus from a ND institution residing out of state
- 1 voting member must be a full-time student
- Non-voting members from Council of College Faculties and ND State Staff Senate
- No member may be an employee of an institution of state office of higher education; including private and tribal

Four Governing Board Option | Board Composition Continued...

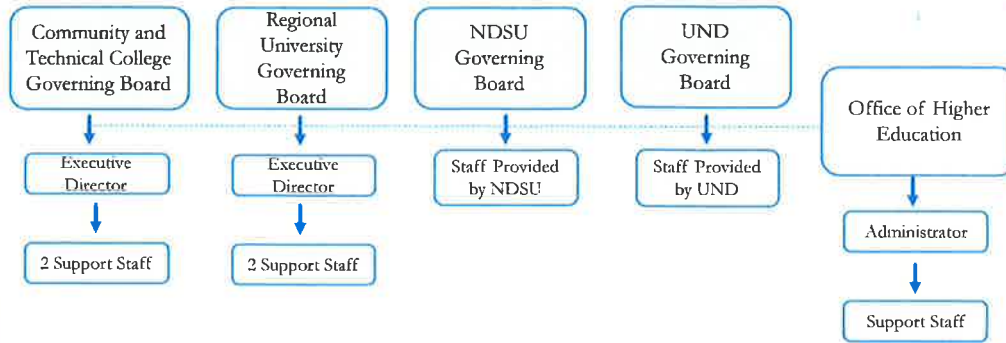


Four Governing Board Option | Term Length and Number

Term Information Common for Each Board

- 7 year term
- Term lengths staggered at creation
- 1 full term per lifetime
- If vacancy, new member appointed to fulfill less than half of 7 year term, the appointment will not count towards 1 full term per lifetime

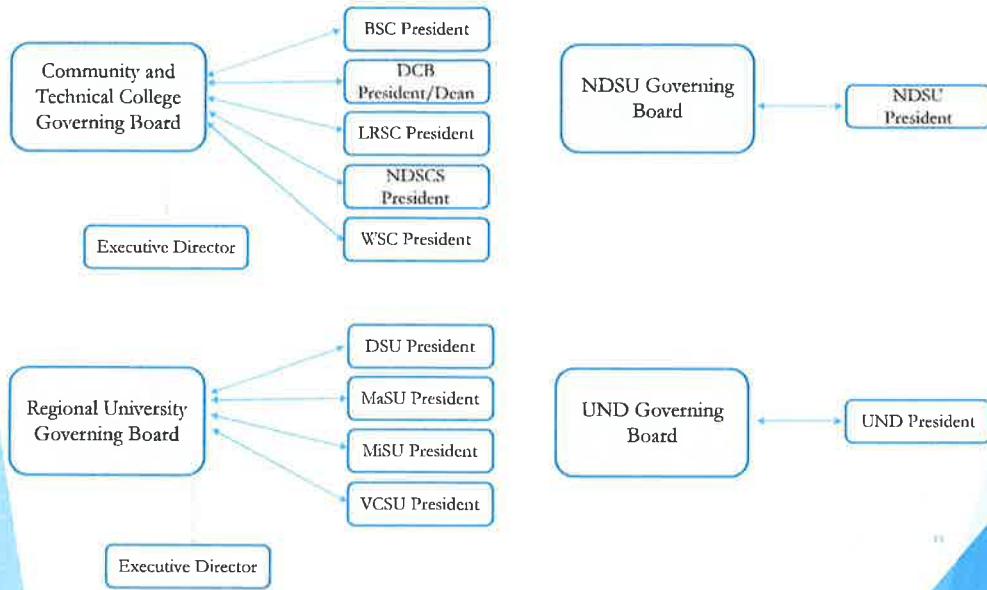
Four Governing Board Option | Staff Support



Four Governing Board Option | Responsibilities of Higher Education Administrator and State Higher Education Staff

- ▶ Represent, articulate and advocate the needs of the state to the respective boards
- ▶ Support the executive directors and staff of the respective boards
- ▶ **Maintain common course numbering across boards and institutions****
- ▶ **Maintain student transfer agreements across boards and institutions****
- ▶ Administer state scholarship program (including tribal scholarship)
- ▶ Federal education grants and NSF state grants
- ▶ Manage SARA
- ▶ Manage loan forgiveness program for teachers and ND residents in STEM fields
- ▶ Manage state financial aid programs
- ▶ Administer student exchange/reciprocity programs with WICHE states, Minnesota and Midwest student exchange for veterinary medicine, dentistry, optometry
- ▶ Administer student health insurance program for students
- ▶ Manage the challenge fund program
- ▶ Administer data support and research support for the DPI
- ▶ Provide institutional data to the boards, state and federal entities (i.e. IPEDS) and for longitudinal studies implement statewide higher education studies
- ▶ Administer TIAA retirement plan, Tele-Mental Health Services, Fraud Hotline, and Interactive Video Network
- ▶ License in-state education providers and provide assurance that out-of-state providers follow reciprocity agreements
- ▶ **** To receive state funding each institution must comply with these requirements**

Four Governing Board Option | Reporting Structure



Four Governing Board Option | Duties of Executive Directors

Community and Technical College Governing Board	Regional University Governing Board	NDSU Governing Board	UND Governing Board
Provide administrative support	Provide administrative support	Duties completed by board or campus staff	
Create meeting materials	Create meeting materials	Duties completed by board or campus staff	
Support campus Presidents	Support campus Presidents	Duties completed by board or campus staff	
Administer presidential searches	Administer presidential searches	Duties completed by board or campus staff	
Serve as liaison to HE Administrator, the legislature and executive branch	Serve as liaison to HE Administrator, the legislature and executive branch	Duties completed by board or campus staff	
Provide presidential evaluations	Provide presidential evaluations	Duties completed by board or campus staff	

Four Governing Board Option | Process for Appointment of Student Voting Members and Non-voting members

- ▶ Student voting member names are sent to the Governor's Office for consideration by the ND Student Association or respective student government organization depending on board
- ▶ Governor then appoints a representative from the students nominated per board
- ▶ Council of College Faculty and the ND State Staff Senate will appoint one representative each per board

Four Governing Board Option | Powers and Duties of the Boards

- ▶ Create statewide plan to guide institutions within board
- ▶ Appoint, monitor, advise, motivate, support, evaluate and if necessary or advisable replace President
- ▶ Maintain collaboration with other education systems and institutions within the state and through the federal government
- ▶ Ensure collaboration and partnership with the private sector
- ▶ Serve as a court of appeals when appropriate
- ▶ Regularly evaluate the board's performance
- ▶ Ensure regular and proper training of board members
- ▶ Receive proposed budgets, tuition modifications and tanked capitol construction projects from campus Presidents
- ▶ Provide final budget recommendations to the Executive and Legislative Branches for consideration
- ▶ Approve tuition levels of institutions represented by board
- ▶ Approve program additions or changes
- ▶ Engage with, listen to and deliver value to stakeholders who provide direct financial support such as students, the state, alumni and the private sector

Four Governing Board Option | Program Addition Check and Balance

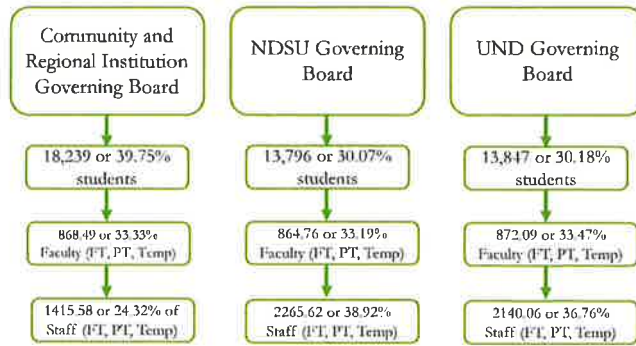
- ▶ Each governing board may approve new program additions or changes
- ▶ If a ND institution feels the change approved by the respective board is not in keeping with the state's needs the institution may file a petition
- ▶ If a protest is delivered:
 - ▶ First the institutions must make a reasonable effort to design a plan for program collaboration; if both institutions are stratified, the protest is satisfied;
 - ▶ If the protest is not satisfied, the strategy committee (defined below) will convene for final approval
 - ▶ Strategy Committee Composition
 - ▶ Chair and Vice Chair of each governing board
 - ▶ Higher Education Administrator is the administrator for the strategy committee
- ▶ To halt a new program approval, 2/3rds of the strategy committee must vote no

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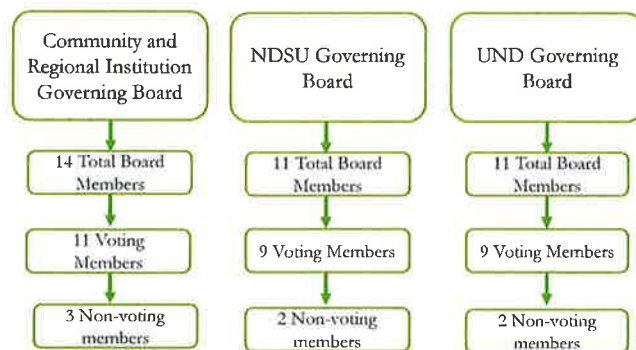
Four Governing Board Option | Discussion

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Three Governing Board Option | Demographics



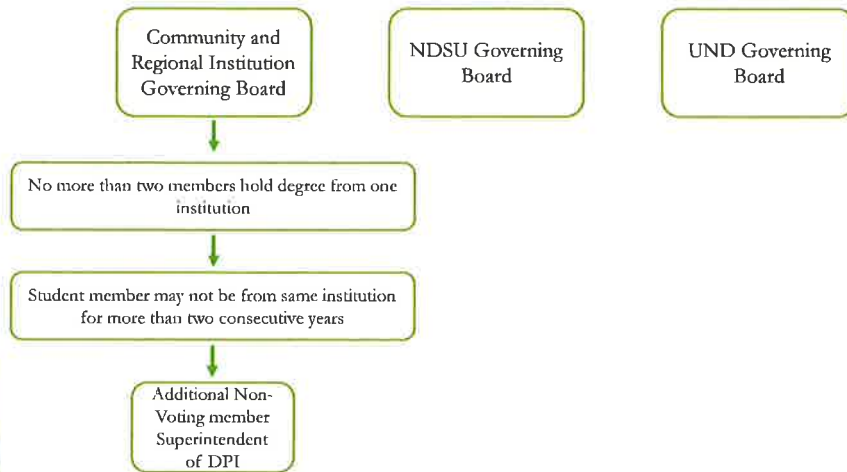
Three Governing Board Option | Board Composition



Board Member Requirements Common for Each Board

- Minimum of 5 voting members reside in the state
- Maximum of 4 voting members may be an alumnus from a ND institution residing out of state
- 1 voting member must be a full-time student
- Non-voting members from Council of College Faculties and ND State Staff Senate
- No member may be an employee of an institution of state office of higher education; including private and tribal

Three Governing Board Option | Board Composition Continued...



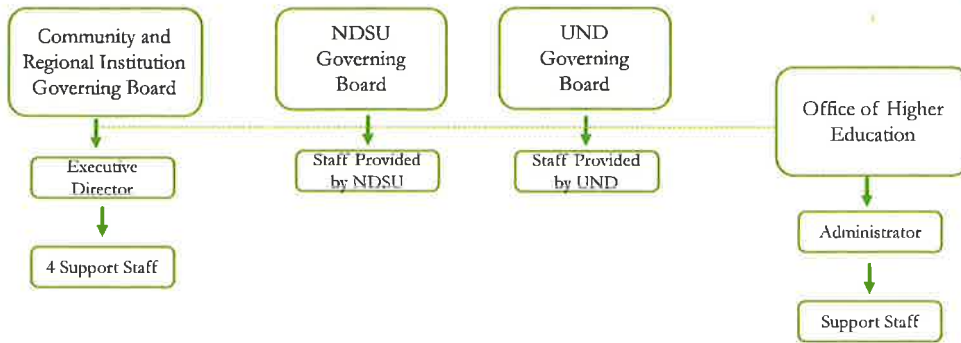
Three Governing Board Option | Term Length and Number

Term Information Common for Each Board

- 7 year term
- Term lengths staggered at creation
- 1 full term per lifetime
- If vacancy, new member appointed to fulfill less than half of 7 year term, the appointment will not count towards 1 full term per lifetime



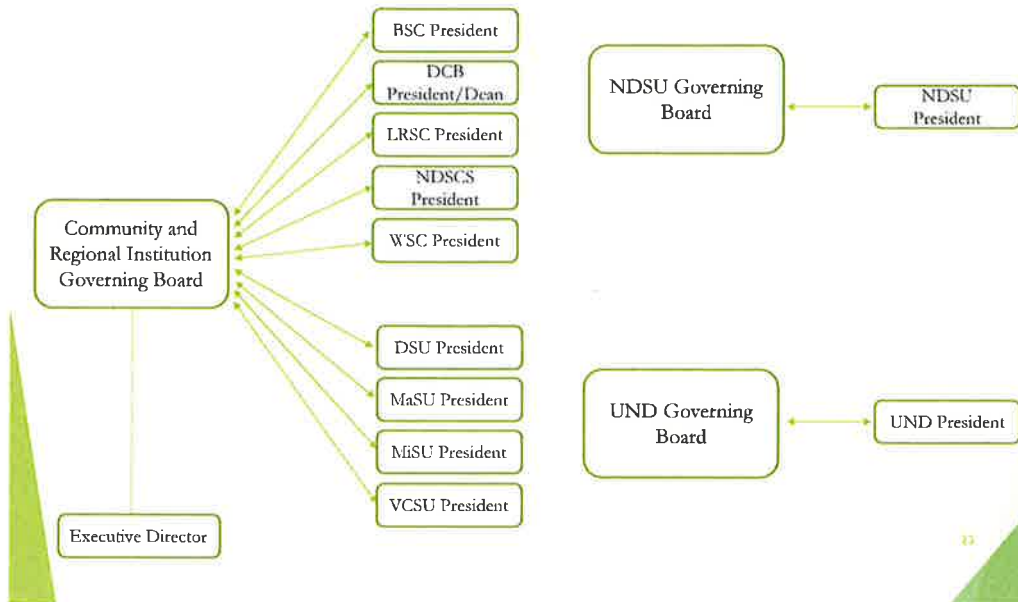
Three Governing Board Option | Staff Support



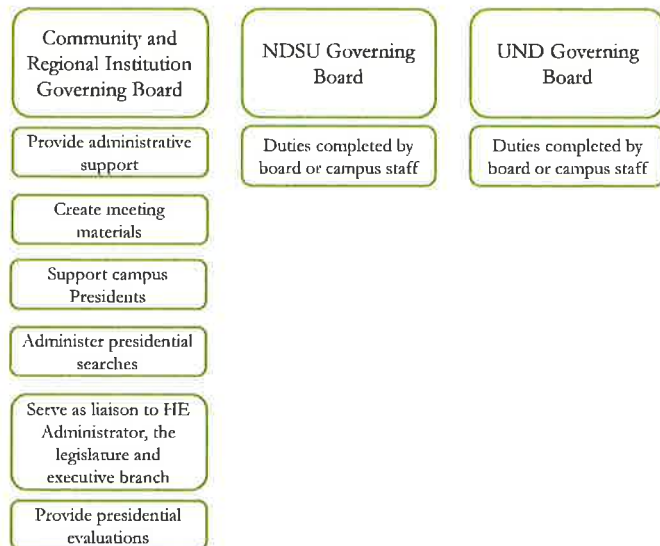
Three Governing Board Option | Responsibilities of Higher Education Administrator and State Higher Education Staff

- ▶ Represent, articulate and advocate the needs of the state to the respective boards
- ▶ Support the executive directors and staff of the respective boards
- ▶ **Maintain common course numbering across boards and institutions****
- ▶ **Maintain student transfer agreements across boards and institutions****
- ▶ Administer state scholarship program (including tribal scholarship)
- ▶ Federal education grants and NSF state grants
- ▶ Manage SARA
- ▶ Manage loan forgiveness program for teachers and ND residents in STEM fields
- ▶ Manage state financial aid programs
- ▶ Administer student exchange/reciprocity programs with WICHE states, Minnesota and Midwest student exchange for veterinary medicine, dentistry, optometry
- ▶ Administer student health insurance program for students
- ▶ Manage the challenge fund program
- ▶ Administer data support and research support for the DPI
- ▶ Provide institutional data to the boards, state and federal entities (i.e. IPEDS) and for longitudinal studies implement statewide higher education studies
- ▶ Administer TIAA retirement plan, Tele-Mental Health Services, Fraud Hotline, and Interactive Video Network
- ▶ License in-state education providers and provide assurance that out-of-state providers follow reciprocity agreements
- ▶ ** To receive state funding each institution must comply with these requirements

Three Governing Board Option | Reporting Structure



Three Governing Board Option | Duties of Executive Director



Three Governing Board Option | Process for Appointment of Student Voting and Non-voting Members

- ▶ Student voting member names are sent to the Governor's Office for consideration by the ND Student Association or respective student government organization depending on board
- ▶ Governor then appoints a representative from the students nominated per board
- ▶ Council of College Faculty and the ND State Staff Senate will appoint one representative each per board

15

Three Governing Board Option | Powers and Duties of the Boards

- ▶ Create statewide plan to guide institutions within board
- ▶ Appoint, monitor, advise, motivate, support, evaluate and if necessary or advisable replace President
- ▶ Maintain collaboration with other education systems and institutions within the state and through the federal government
- ▶ Ensure collaboration and partnership with the private sector
- ▶ Serve as a court of appeals when appropriate
- ▶ Regularly evaluate the board's performance
- ▶ Ensure regular and proper training of board members
- ▶ Receive proposed budgets, tuition modifications and ranked capital construction projects from campus Presidents
- ▶ Provide final budget recommendations to the Executive and Legislative Branches for consideration
- ▶ Approve tuition levels of institutions represented by board
- ▶ Approve program additions or changes
- ▶ Engage with, listen to and deliver value to stakeholders who provide direct financial support such as students, the state, alumni and the private sector

16

Three Governing Board Option | Program Addition Check and Balance

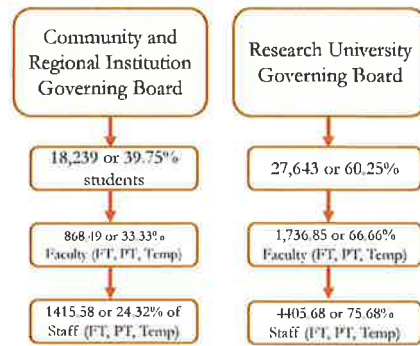
- ▶ Each governing board may approve new program additions or changes
- ▶ If a ND institution feels the change approved by the respective board is not in keeping with the state's needs the institution may file a petition
- ▶ If a protest is delivered:
 - ▶ First the institutions must make a reasonable effort to design a plan for program collaboration; if both institutions are satisfied, the protest is satisfied;
 - ▶ If the protest is not satisfied, the strategy committee (defined below) will convene for final approval
 - ▶ Strategy Committee Composition
 - ▶ Chair of each governing board
 - ▶ Vice Chair of the Community and Regional Institution Governing Board
 - ▶ Higher Education Administrator is the administrator for the strategy committee
- ▶ To halt a new program approval, 2/3rds of the strategy committee must vote no

17

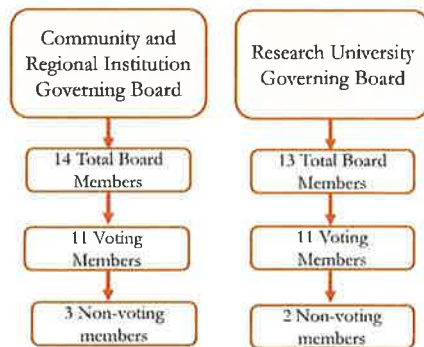
Three Governing Board Option | Discussion

18

Two Governing Board Option | Demographics



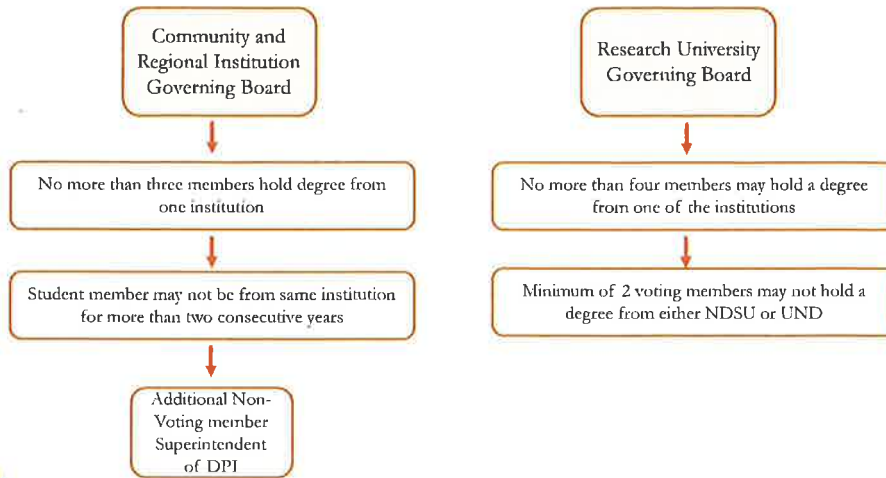
Two Governing Board Option | Board Composition



Board Member Requirements Common for Each Board

- Minimum of 6 voting members reside in the state
- Maximum of 4 voting members may be an alumnus from a ND institution residing out of state
- 1 voting member must be a full-time student
- Non-voting members from Council of College Faculties and ND State Staff Senate
- No member may be an employee of an institution of state office of higher education; including private and tribal

Two Governing Board Option | Board Composition Continued...



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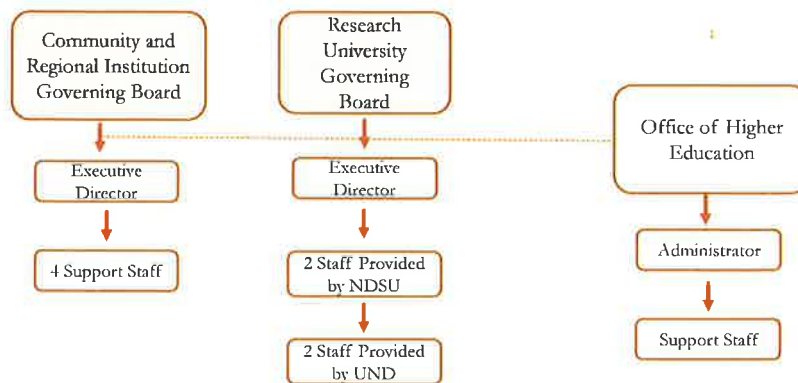
Two Governing Board Option | Term Length and Number

Term Information Common for Each Board

- 7 year term
- Term lengths staggered at creation
- 1 full term per lifetime
- If vacancy, new member appointed to fulfill less than half of 7 year term, the appointment will not count towards 1 full term per lifetime

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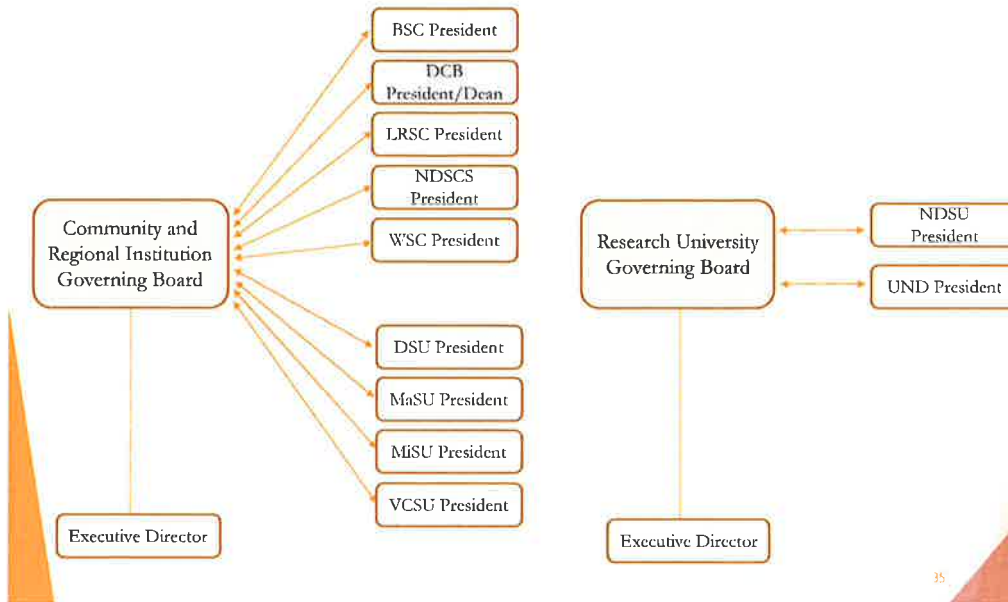
Two Governing Board Option | Staff Support



Two Governing Board Option | Responsibilities of Higher Education Administrator and State Higher Education Staff

- ▶ Represent, articulate and advocate the needs of the state to the respective boards
- ▶ Support the executive directors and staff of the respective boards
- ▶ **Maintain common course numbering across boards and institutions****
- ▶ **Maintain student transfer agreements across boards and institutions****
- ▶ Administer state scholarship program (including tribal scholarship)
- ▶ Federal education grants and NSF state grants
- ▶ Manage SARA
- ▶ Manage loan forgiveness program for teachers and ND residents in STEM fields
- ▶ Manage state financial aid programs
- ▶ Administer student exchange/reciprocity programs with WICHE states, Minnesota and Midwest student exchange for veterinary medicine, dentistry, optometry
- ▶ Administer student health insurance program for students
- ▶ Manage the challenge fund program
- ▶ Administer data support and research support for the DPI
- ▶ Provide institutional data to the boards, state and federal entities (i.e. IPEDS) and for longitudinal studies implement statewide higher education studies
- ▶ Administer TIAA retirement plan, Tele-Mental Health Services, Fraud Hotline, and Interactive Video Network
- ▶ License in-state education providers and provide assurance that out-of-state providers follow reciprocity agreements
- ▶ **** To receive state funding each institution must comply with these requirements**

Two Governing Board Option | Reporting Structure



35

Two Governing Board Option | Duties of Executive Director



36

Two Governing Board Option | Process for Appointment of Student Voting and Non-Voting Members

- ▶ Student voting member names are sent to the Governor's Office for consideration by the ND Student Association or respective student government organization depending on board
- ▶ Governor then appoints a representative from the students nominated per board
- ▶ Council of College Faculty and the ND State Staff Senate will appoint one representative each per board

Two Governing Board Option | Powers and Duties of the Boards

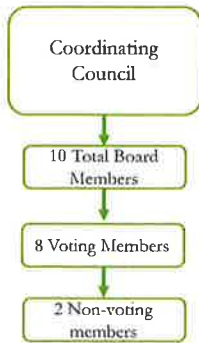
- ▶ Create statewide plan to guide institutions within board
- ▶ Appoint, monitor, advise, motivate, support, evaluate and if necessary or advisable replace President
- ▶ Maintain collaboration with other education systems and institutions within the state and through the federal government
- ▶ Ensure collaboration and partnership with the private sector
- ▶ Serve as a court of appeals when appropriate
- ▶ Regularly evaluate the board's performance
- ▶ Ensure regular and proper training of board members
- ▶ Receive proposed budgets, tuition modifications and ranked capitol construction projects from campus Presidents
- ▶ Provide final budget recommendations to the Executive and Legislative Branches for consideration
- ▶ Approve tuition levels of institutions represented by board
- ▶ Approve program additions or changes
- ▶ Engage with, listen to and deliver value to stakeholders who provide direct financial support such as students, the state, alumni and the private sector

Two Governing Board Option | Program Addition Check and Balance

- ▶ Each governing board may approve new program additions or changes
- ▶ If a ND institution feels the change approved by the respective board is not in keeping with the state's needs the institution may file a petition
- ▶ If a protest is delivered:
 - ▶ First the institutions must make a reasonable effort to design a plan for program collaboration; if both institutions are stratified, the protest is satisfied;
 - ▶ If the protest is not satisfied, the strategy committee (defined below) will convene for final approval
 - ▶ Strategy Committee Composition
 - ▶ Chair and Vice Chair of each governing board
 - ▶ Higher Education Administrator is the administrator for the strategy committee
- ▶ To halt a new program approval, 2/3rds of the strategy committee must vote no

Two Governing Board Option | Discussion

Coordinating Council Addition



Board Member Requirements

- Minimum of 5 voting members reside in the state
- Maximum of 3 voting members may be an alumnus from a ND institution residing out of state
- 1 voting member must be a full-time student
- Non-voting members from Council of College Faculties and ND State Staff Senate
- No member may be an employee of an institution of state office of higher education; including private and tribal
- No more than 1 voting member may hold a degree from one institution excluding student
- Staff: Supported by Higher Education Administrator and staff

Coordinating Council Addition | Duties of the Board

- ▶ Represent, articulate and advocate the needs of the state to the respective boards
- ▶ Convener of institutions and partners working across the public and private higher education arena
- ▶ Collaborate with the Executive and Legislative branches, as well as the governing boards and institutions to develop innovative and results-driven higher education policy
- ▶ Support the executive directors and staff of the respective boards
- ▶ Maintain common course numbering across boards and institutions
- ▶ Maintain student transfer agreements across boards and institutions
- ▶ Administer state scholarship program (including tribal scholarship)
- ▶ Federal education grants and NSF state grants
- ▶ Manage SARA
- ▶ Manage loan forgiveness program for teachers and ND residents in STEM fields
- ▶ Manage state financial aid programs
- ▶ Administer student exchange/reciprocity programs with WICHE states, Minnesota and Midwest student exchange for veterinary medicine, dentistry, optometry
- ▶ Administer student health insurance program for students
- ▶ Manage the challenge fund program
- ▶ Administer data support and research support for the DPI
- ▶ Provide institutional data to the boards, state and federal entities (i.e. IPEDS) and for longitudinal studies implement statewide higher education studies
- ▶ Administer TAA retirement plan, Tele-Mental Health Services, Fraud Hotline, and Interactive Video Network
- ▶ License in-state education providers and provide assurance that out-of-state providers follow reciprocity agreements

Coordinating Council Discussion



Public Comment



Break/Lunch

General Discussion

Community and
Regional Institution
Governing Board

Research University
Governing Board

Community and
Regional Institution
Governing Board

NDSU Governing
Board

UND Governing
Board

Community and
Technical College
Governing Board

Regional University
Governing Board

NDSU Governing
Board

UND Governing
Board

APPENDIX L
November Higher Education Governance Task Force Meeting Materials

Higher Education Governance Task Force

Tuesday, November 13th, 2018

1

Agenda for the Day

- ▶ Discussion of Multiple Governing Board Option Data
 - ▶ Four Board Option
 - ▶ Three Board Option
 - ▶ Two Board Option
- ▶ General Discussion
- ▶ Public Comment
- ▶ Break
- ▶ General Discussion/Motions for Task Force Recommendation
- ▶ Adjourn

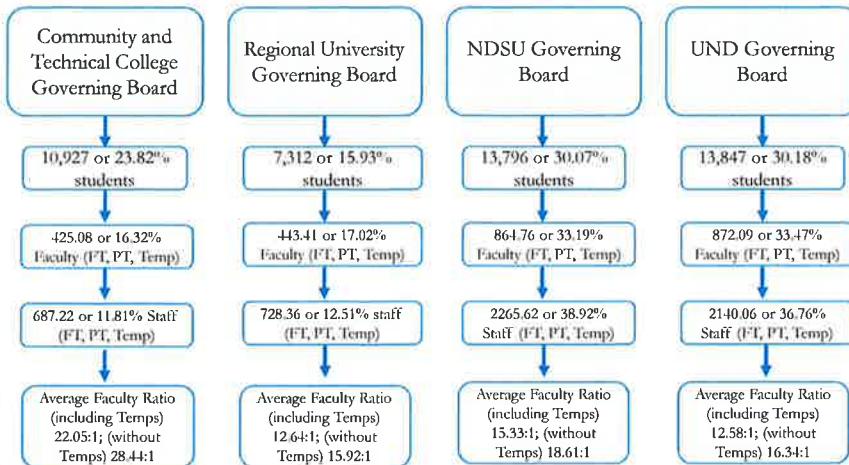
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Goals for High Functioning Governance

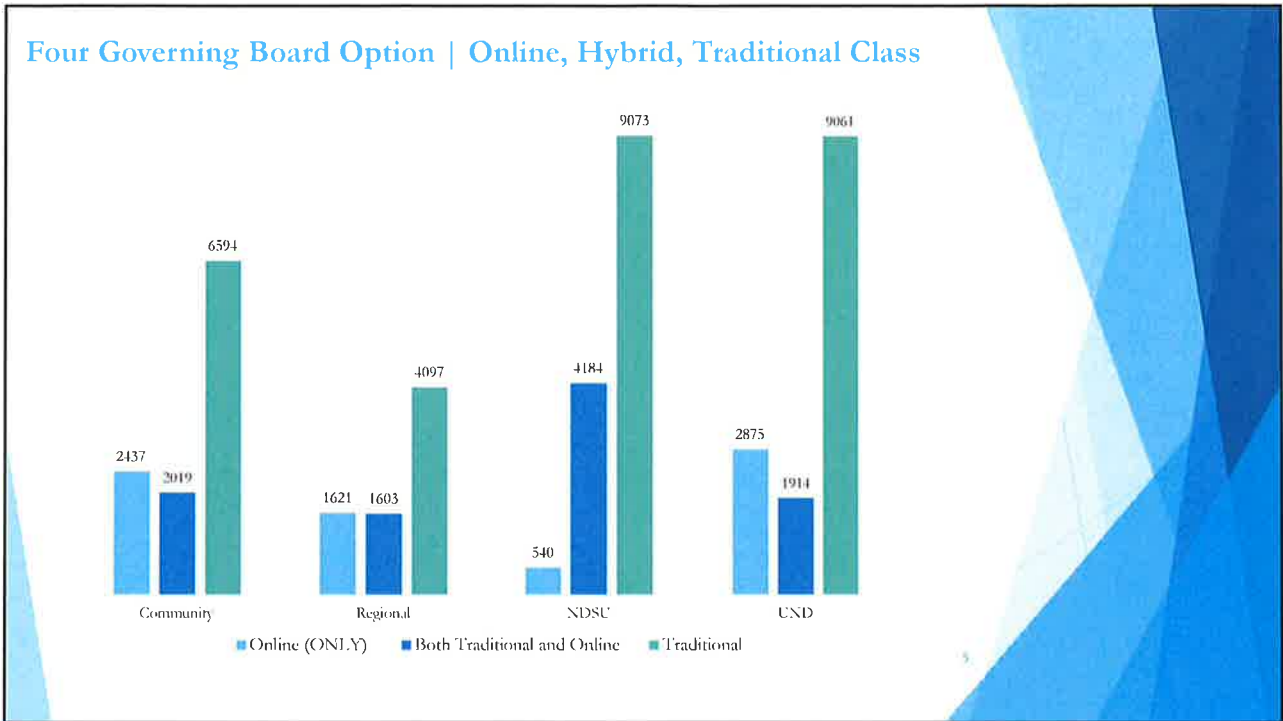
- ▶ Institutional Autonomy
- ▶ Nimbleness
- ▶ Encourage Innovation
- ▶ Partnership-oriented
- ▶ Cost conscious

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Four Governing Board Option | Demographics



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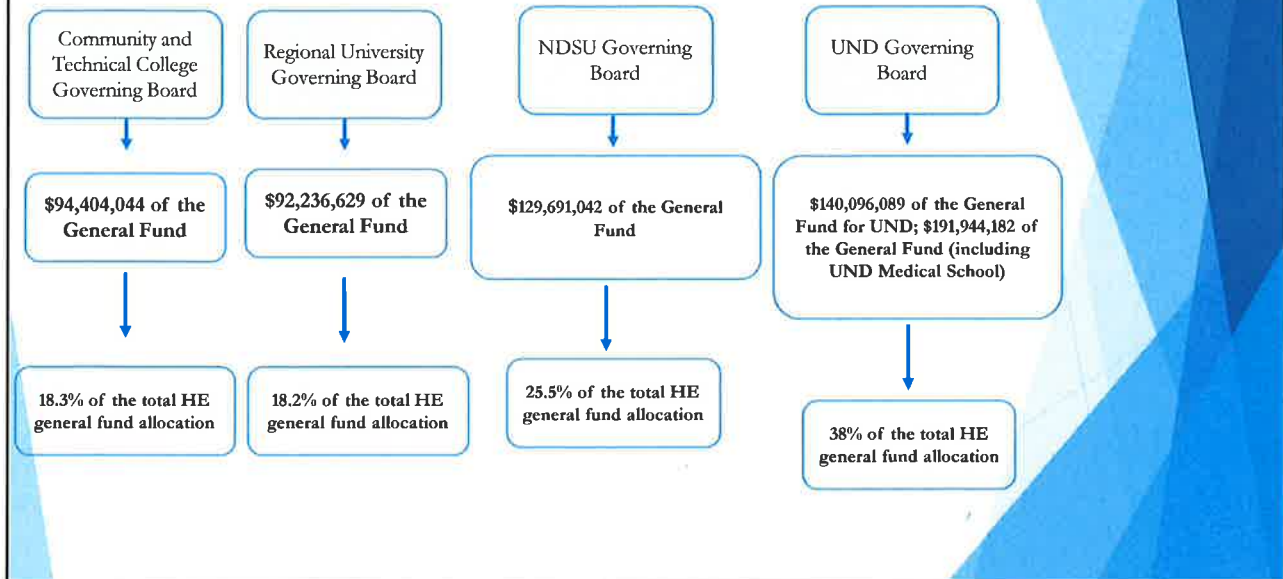
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Four Governing Board Option | Degree Type 2018

Type of Degree	Community and Technical College Governing Board		Regional Universities Governing Board		NDSU Governing Board		UND Governing Board	
	FT	PT	FT	PT	FT	PT	FT	PT
Undergraduate	5207	5720	4480	2832	10,237	1,188	8,184	2,335
Graduate	-	-	131	340	655	1,325	1,214	1,571
Professional (Including Law and Medical)	-	-	-	-	377	14	537	6

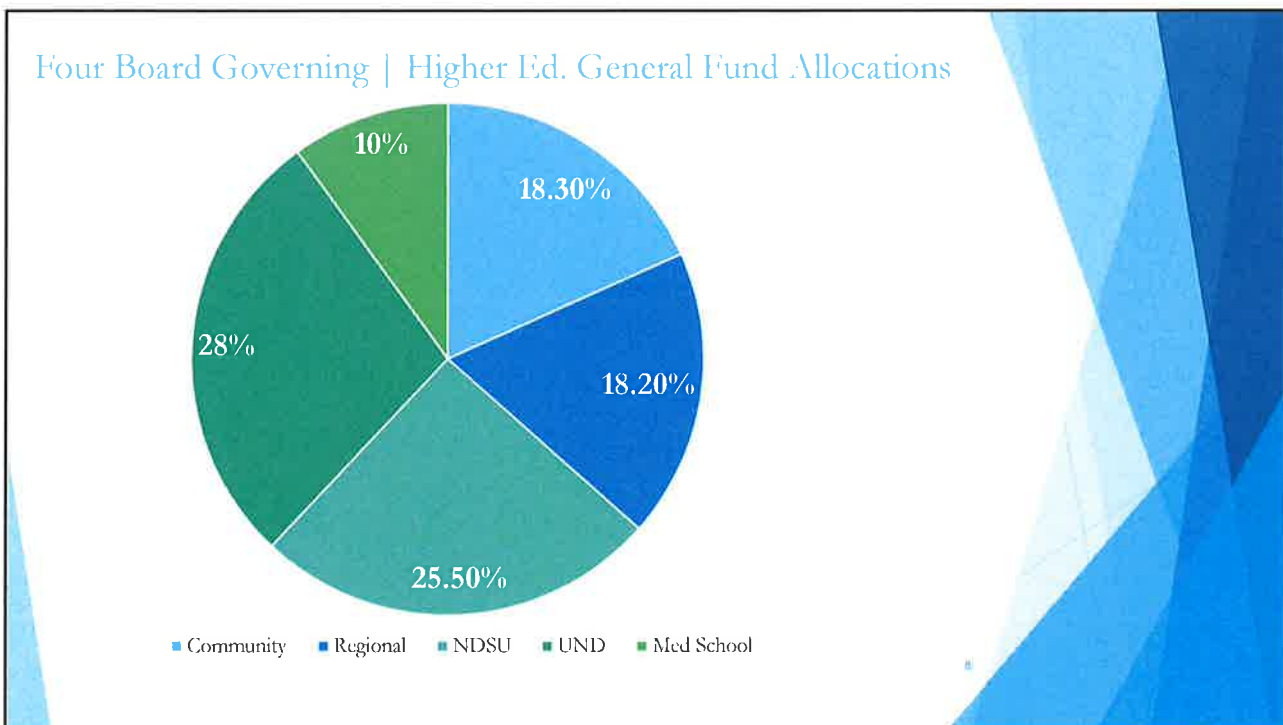
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Four Governing Board Option | Budgets (17-19 General Fund)



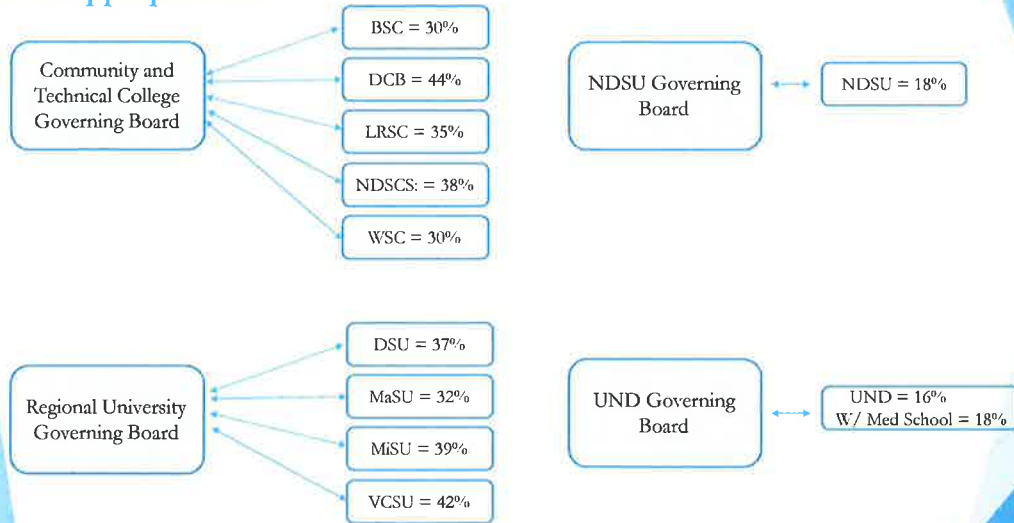
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Four Board Governing | Higher Ed. General Fund Allocations



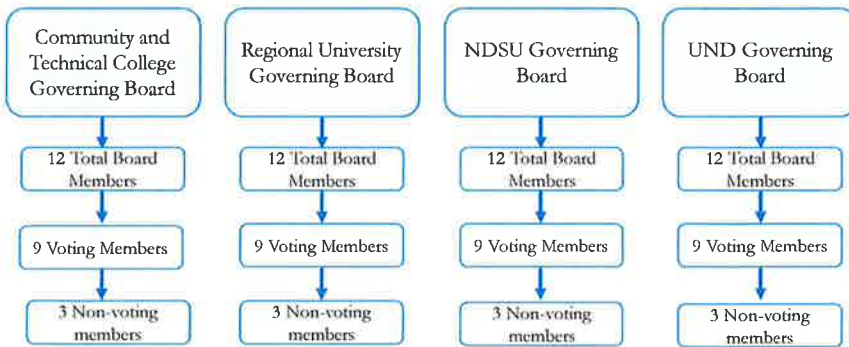
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Four Governing Board Option | State Funds as Percent of Total Budget 17-19 Appropriation



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Four Governing Board Option | Board Composition



Board Member Requirements: Common for Each Board

- Minimum of 5 voting members reside in the state
- Maximum of 3 voting members may be an alumnus from a ND institution residing out of state
- 1 voting member must be a full-time student
- Non-voting members from Council of College Faculties, ND State Staff Senate, Designee from DPI
- No member may be a full-time employee of an institution of state office of higher education; including private and tribal
- Minimum of 3 men and 3 women must serve on the board at all times (Including student, faculty and staff)

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Three Governing Board Option | Shared Service Advisory Committee

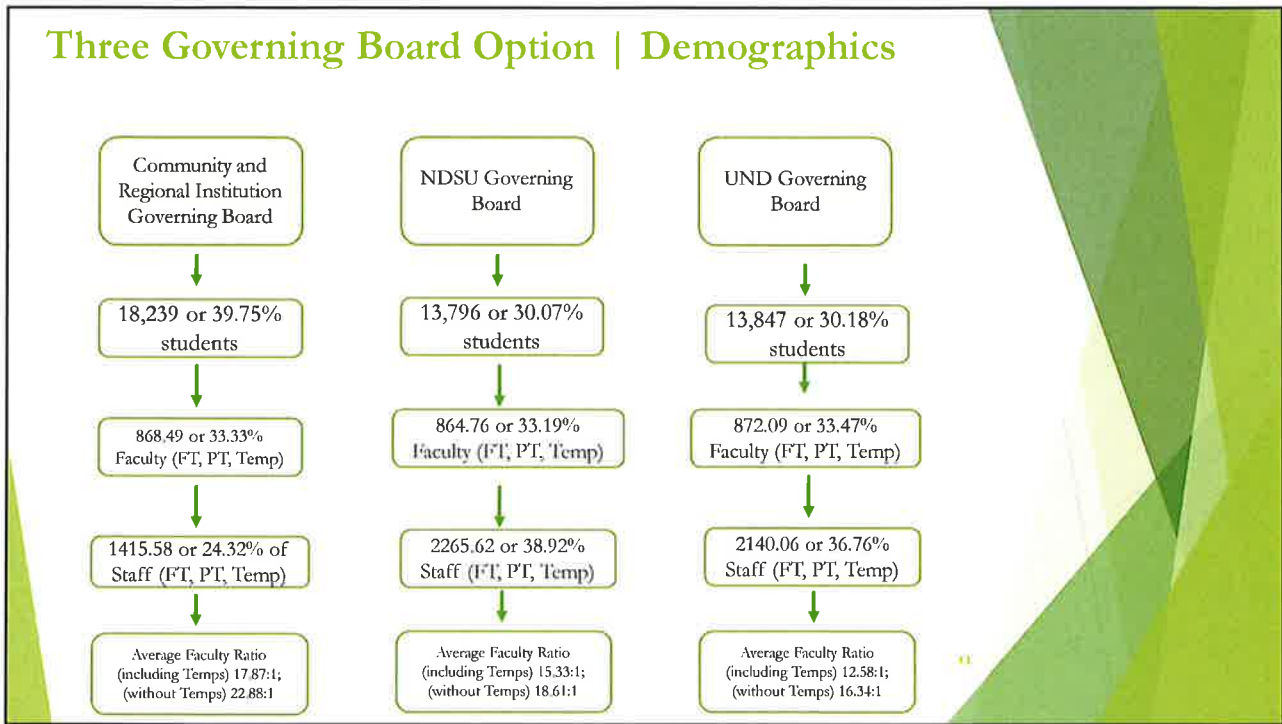
- ▶ **Strategy Committee Composition**
 - ▶ Chair of each governing board
 - ▶ Higher Education Administrator is the administrator for the strategy committee
- ▶ **Responsibilities**
 - ▶ Seek and provide efficiency and shared service opportunities
 - ▶ Assist the High Education Administrator in coordination of shared services
 - ▶ Manage program petitions
 - ▶ Each governing board may approve new program additions or changes
 - ▶ If a ND institution feels the change approved by the respective board is not in keeping with the state's needs the institution may file a petition
 - ▶ If a protest is delivered:
 - ▶ First the institutions must make a reasonable effort to design a plan for program collaboration; if both institutions are stratified, the protest is satisfied;
 - ▶ If the protest is not satisfied, the strategy committee (defined below) will convene for final approval
 - ▶ Other topics deemed necessary
 - ▶ To halt a new program approval, 60% of the strategy committee must vote no

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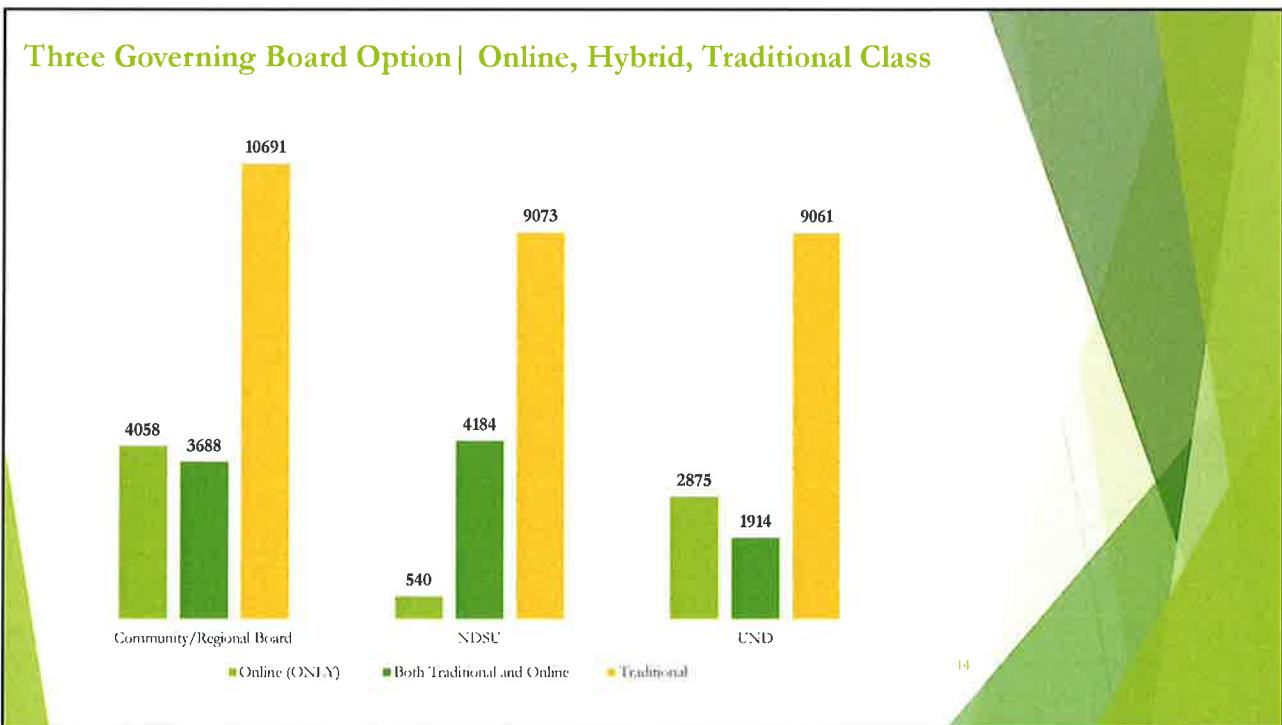
Four Governing Board Option | Discussion

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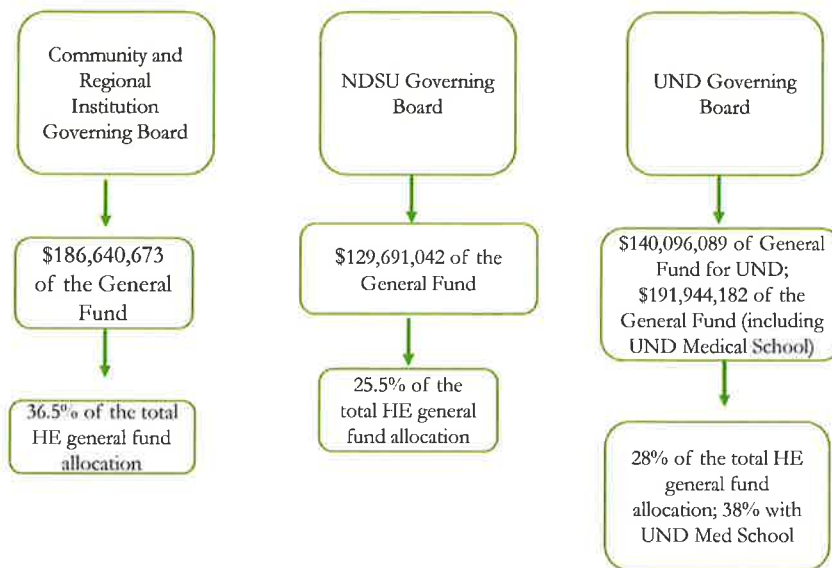
Three Governing Board Option | Degree Type 2018

Type of Degree	Community and Regional Institution Governing Board		NDSU Governing Board		UND Governing Board	
	FT	PT	FT	PT	FT	PT
Undergraduate	9687	8552	10,237	1,188	8,184	2,335
Graduate	131	340	655	1,325	1,214	1,571
Professional (Including Law and Medical)	0	0	377	14	537	6

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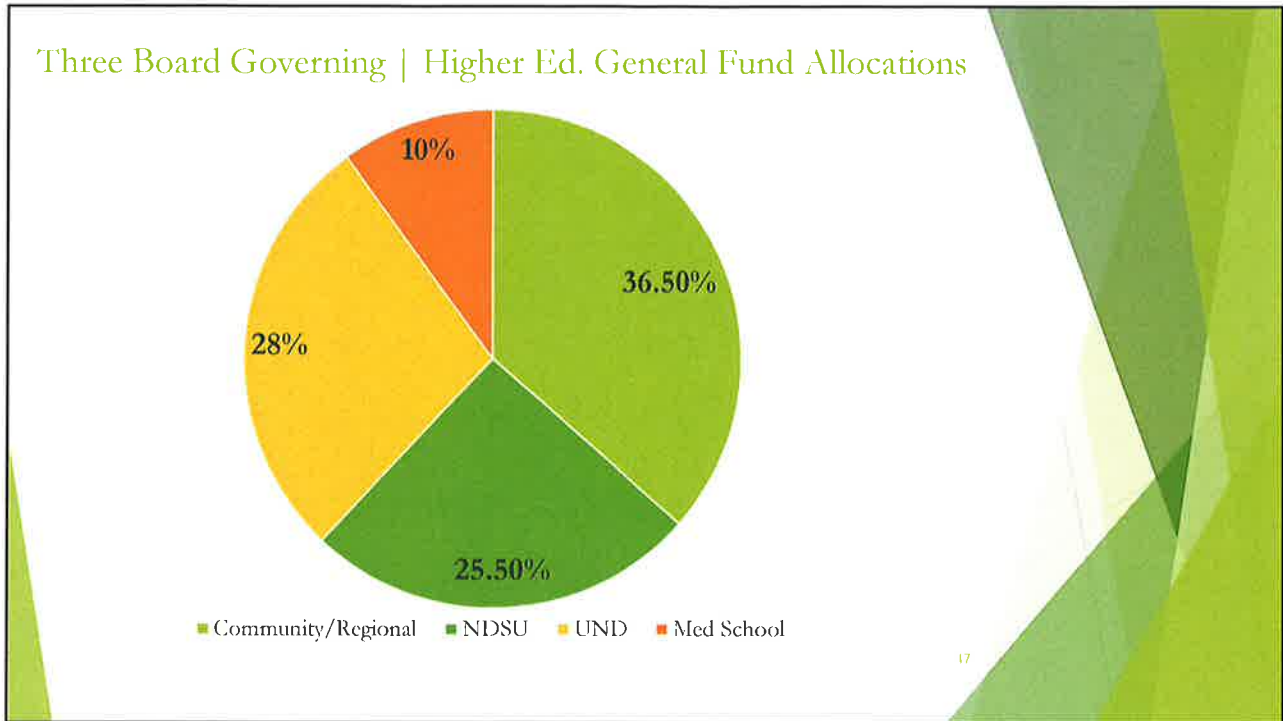
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Three Governing Board Option | Budgets (17-19 General Fund)

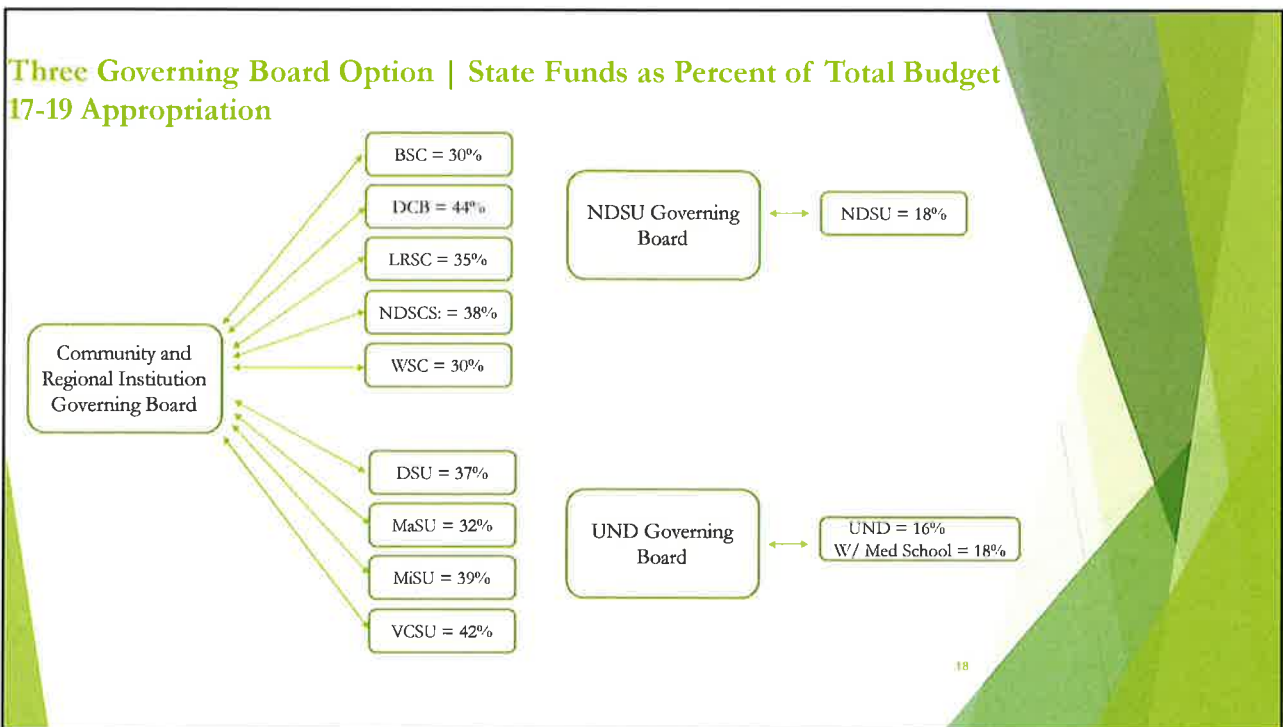


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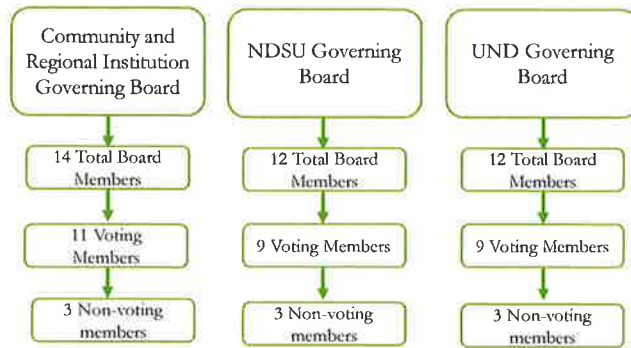


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Three Governing Board Option | Board Composition



Board Member Requirements Common for Each Board

- Minimum of 5 voting members reside in the state
- Maximum of 3 voting members may be an alumnus from a ND institution residing out of state
- 1 voting member must be a full-time student
- Non-voting members from Council of College Faculties and ND State Staff Senate, Designee from DPI
- No member may be a full-time employee of an institution of state office of higher education; including private and tribal
- Minimum of 3 men and 3 women must serve on the board at all times (Voting and non-voting members)

19

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Three Governing Board Option | Shared Service Advisory Committee

► Strategy Committee Composition

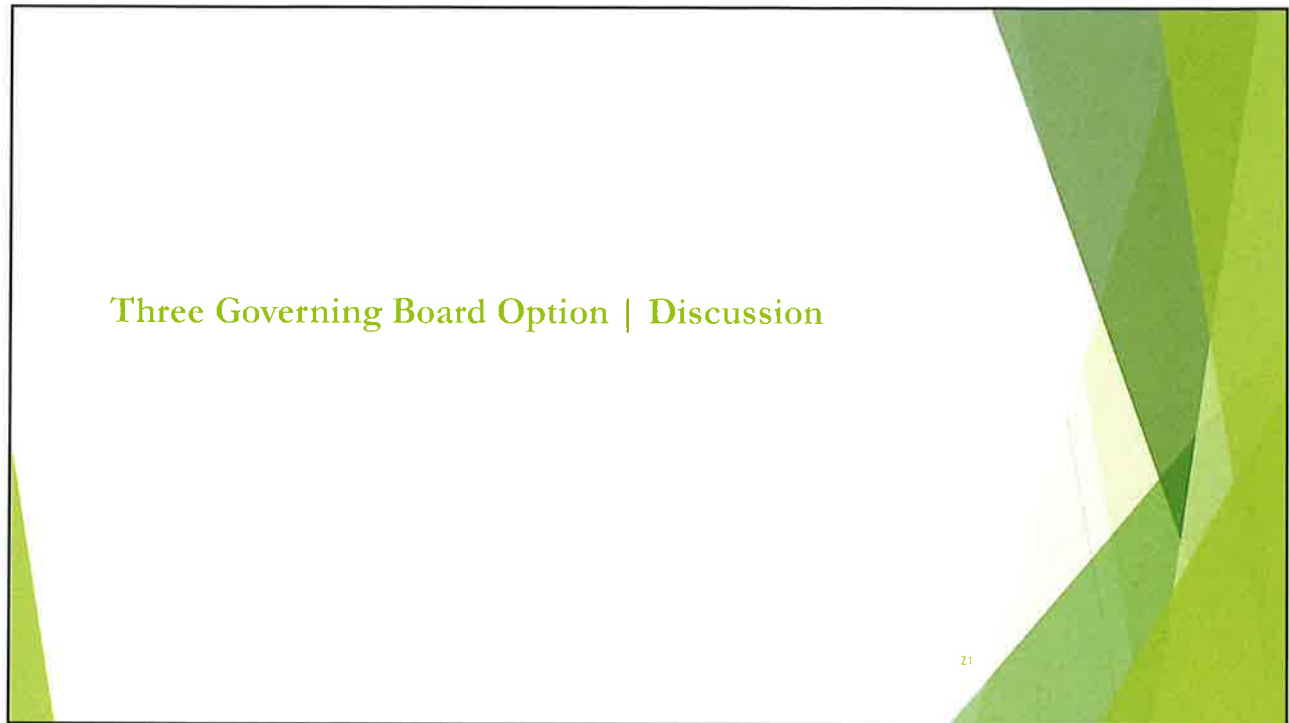
- Chair of each governing board
- Appointed member from the Community and Regional Institution Board (must be representing the opposite type of institution from the Chair of the Board)
- Higher Education Administrator is the administrator for the strategy committee

► Responsibilities

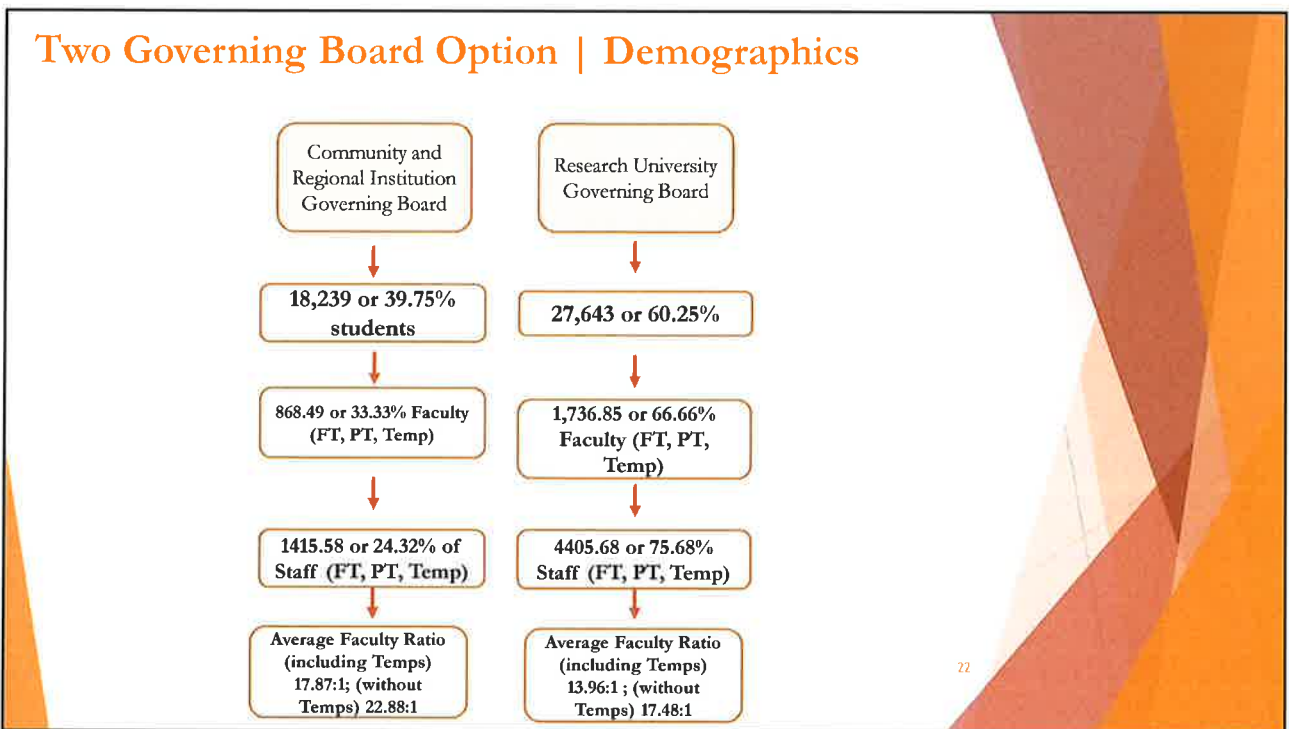
- Seek and provide efficiency and shared service opportunities
- Assist the Higher Education Administrator in coordination of shared services
- Manage program petitions
 - Each governing board may approve new program additions or changes
 - If a ND institution feels the change approved by the respective board is not in keeping with the state's needs the institution may file a petition
 - If a protest is delivered:
 - First the institutions must make a reasonable effort to design a plan for program collaboration; if both institutions are stratified, the protest is satisfied;
 - If the protest is not satisfied, the strategy committee (defined below) will convene for final approval
 - Other topics deemed necessary
 - To halt a new program approval, 60% of the strategy committee must vote no

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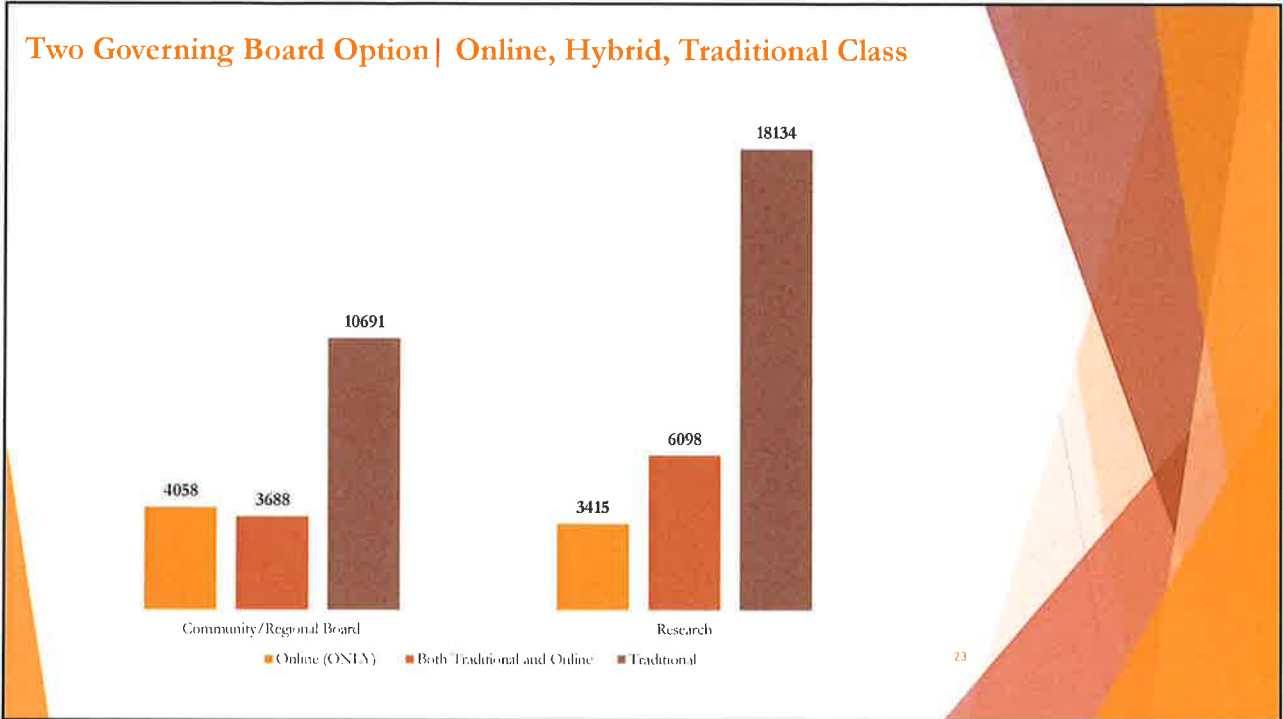
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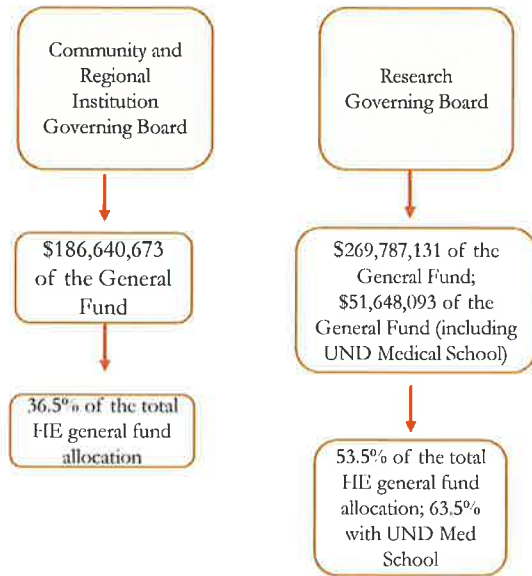
23

Two Governing Board Option | Degree Type 2018

Type of Degree	Community and Regional Institution Governing Board		Research Governing Board	
	FT	PT	FT	PT
Undergraduate	9687	8552	18421	3523
Graduate	131	340	1869	2896
Professional (Including Law and Medical)	-	-	914	20

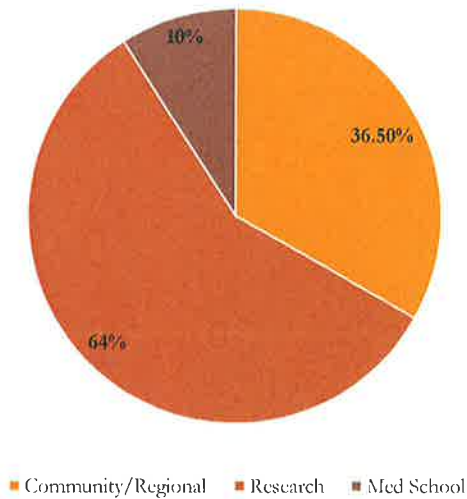
24

Two Governing Board Option | Budgets (17-19 General Fund)



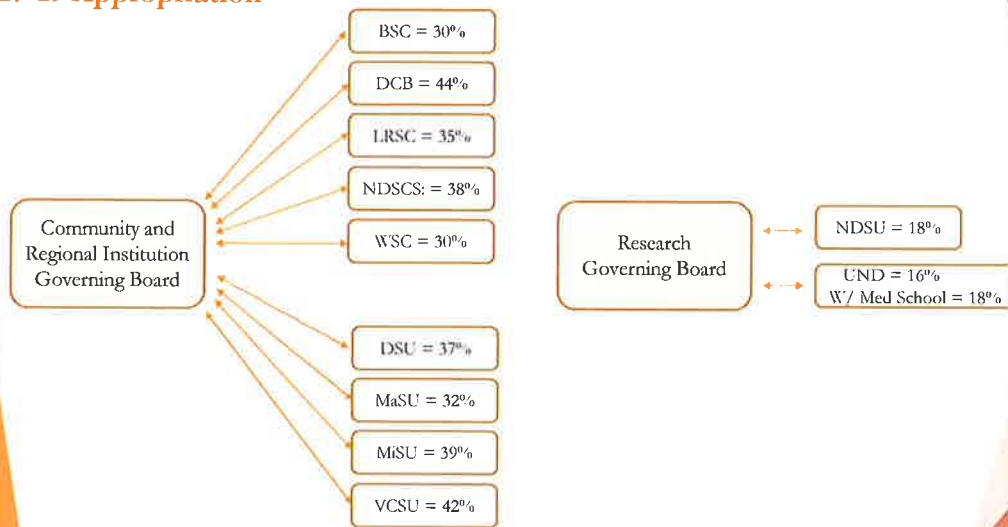
25

Two Board Governing | Higher Ed. General Fund Allocations



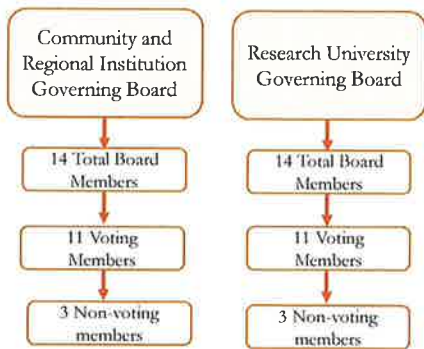
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Two Governing Board Option | State Funds as Percent of Total Budget 17-19 Appropriation



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Two Governing Board Option | Board Composition

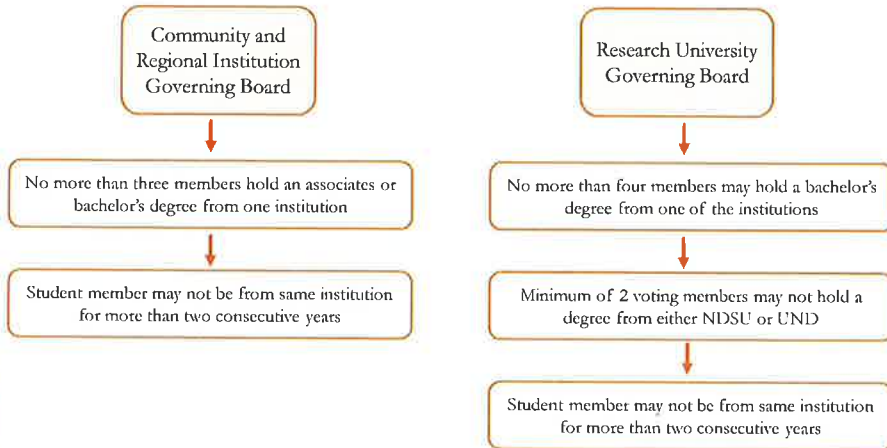


Board Member Requirements Common for Each Board

- Minimum of 6 voting members reside in the state
- Maximum of 4 voting members may be an alumnus from a ND institution residing out of state
- 1 voting member must be a full-time student
- Non-voting members from Council of College Faculties and ND State Staff Senate
- No member may be a full-time employee of an institution of state office of higher education; including private and tribal
- Minimum of 4 men and 4 women must serve on the board at all times (including student, faculty and staff)

28

Two Governing Board Option | Board Composition Continued...



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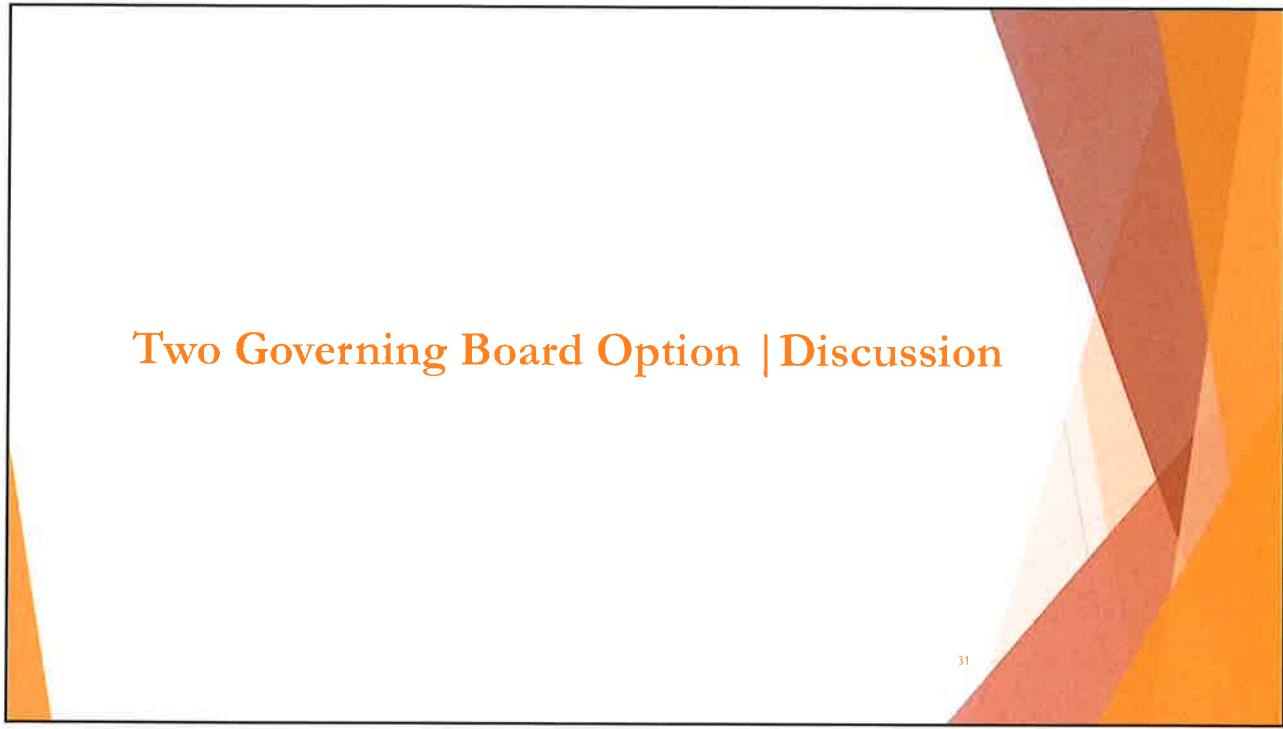
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Two Governing Board Option | Shared Services Advisory Committee

- ▶ **Composition**
 - ▶ Chair and Vice Chair or appointed member from each governing board
 - ▶ Vice Chair or Appointed member must be from opposite type of institution within governance structure
 - ▶ Higher Education Administrator is the administrator for the strategy committee
- ▶ **Responsibilities**
 - ▶ Seek and provide efficiency and shared service opportunities
 - ▶ Assist the High Education Administrator in coordination of shared services
 - ▶ Manage program petitions
 - ▶ Each governing board may approve new program additions or changes
 - ▶ If a ND institution feels the change approved by the respective board is not in keeping with the state's needs the institution may file a petition
 - ▶ If a protest is delivered:
 - ▶ First the institutions must make a reasonable effort to design a plan for program collaboration; if both institutions are stratified, the protest is satisfied;
 - ▶ If the protest is not satisfied, the strategy committee (defined below) will convene for final approval
 - ▶ Other topics deemed necessary
 - ▶ To halt a new program approval, 60% of the strategy committee must vote no

30

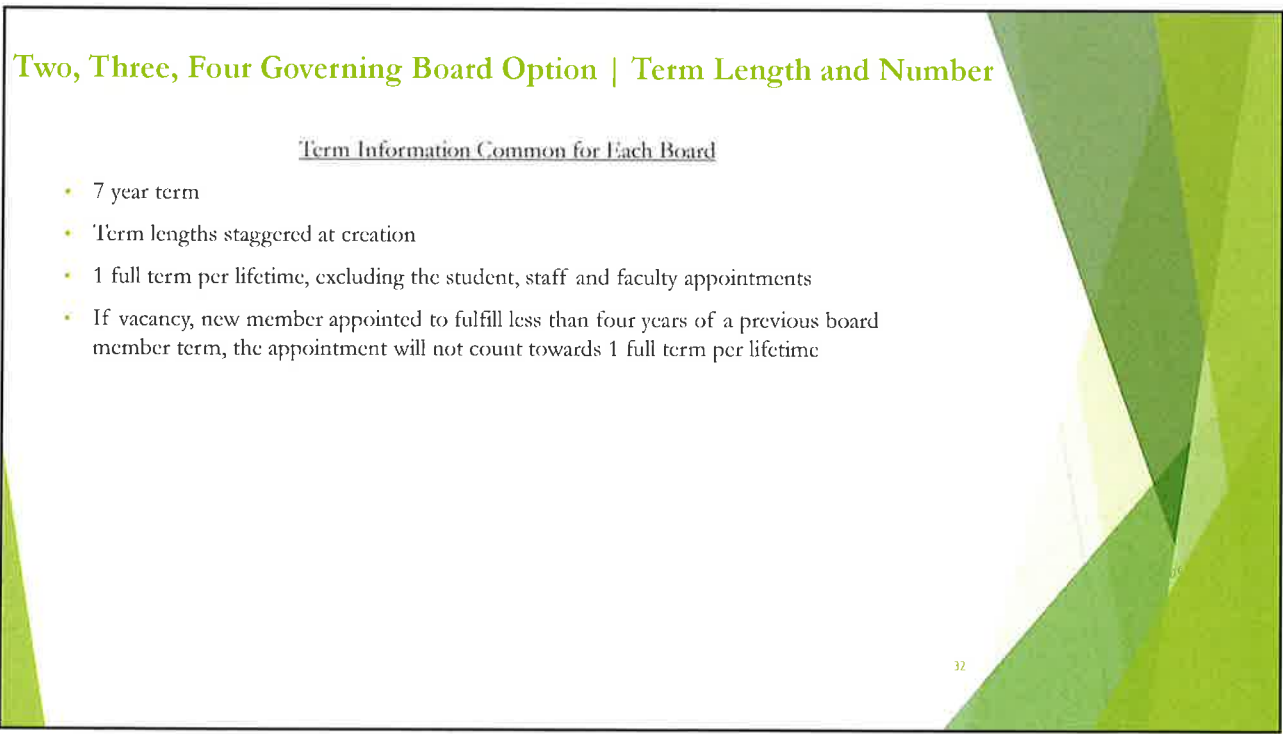
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Two Governing Board Option | Discussion

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Two, Three, Four Governing Board Option | Term Length and Number

Term Information Common for Each Board

- 7 year term
- Term lengths staggered at creation
- 1 full term per lifetime, excluding the student, staff and faculty appointments
- If vacancy, new member appointed to fulfill less than four years of a previous board member term, the appointment will not count towards 1 full term per lifetime

32

32

Two, Three, Four Governing Board Option | Responsibilities of Higher Education Administrator and State Higher Education Staff

- ▶ Represent, articulate and advocate the needs of the state to the respective boards
- ▶ Support the executive directors and staff of the respective boards
- ▶ **Maintain common course numbering across boards and institutions****
- ▶ **Maintain student transfer agreements across boards and institutions****
- ▶ Administer state scholarship program (including tribal scholarship)
- ▶ Federal education grants and NSF state grants
- ▶ Manage SARA
- ▶ Manage loan forgiveness program for teachers and ND residents in STEM fields
- ▶ Manage state financial aid programs
- ▶ Administer student exchange/reciprocity programs with WICHE states, Minnesota and Midwest student exchange for veterinary medicine, dentistry, optometry
- ▶ Administer student health insurance program for students
- ▶ Manage the challenge fund program
- ▶ Administer data support and research support for the DPI
- ▶ Provide institutional data to the boards, state and federal entities (i.e. IPEDS) and for longitudinal studies implement statewide higher education studies
- ▶ Administer TIAA retirement plan, Tele-Mental Health Services, Fraud Hotline, and Interactive Video Network
- ▶ License in-state education providers and provide assurance that out-of-state providers follow reciprocity agreements
- ▶ Prepare the consolidated financial reports and assist with audits
- ▶ **Maintain CTS (Core Technology Services)****
 - ▶ ** To receive state funding each institution must comply with these requirements

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Two, Three, Four Governing Board Option | Powers and Duties of the Boards

- ▶ Represent the full educational value and intent of students and the state within mission of each institution
- ▶ Maintain the quality of academic programs
- ▶ Ensure excellence in programs, faculty and students
- ▶ Provide responsible policies and procedures for proper governance
- ▶ Create statewide plan to guide institutions within board
- ▶ Appoint, monitor, advise, motivate, support, evaluate and if necessary or advisable replace President
- ▶ Maintain collaboration with other education systems and institutions within the state and through the federal government
- ▶ Ensure collaboration and partnership with the private sector
- ▶ Serve as a court of appeals when appropriate
- ▶ Regularly evaluate the board's performance
- ▶ Ensure regular and proper training of board members
- ▶ Receive proposed budgets, tuition modifications and ranked capitol construction projects from campus Presidents to promote equity and appropriate investment of state resources through each institution
- ▶ Provide final budget recommendations to the Executive and Legislative Branches for consideration
- ▶ Approve tuition levels of institutions represented by board
- ▶ Approve new and discontinued programs
- ▶ Engage with, listen to and deliver value to stakeholders who provide direct financial support such as students, the state, alumni and the private sector
- ▶ Shield institutions from direct political and other outside interference

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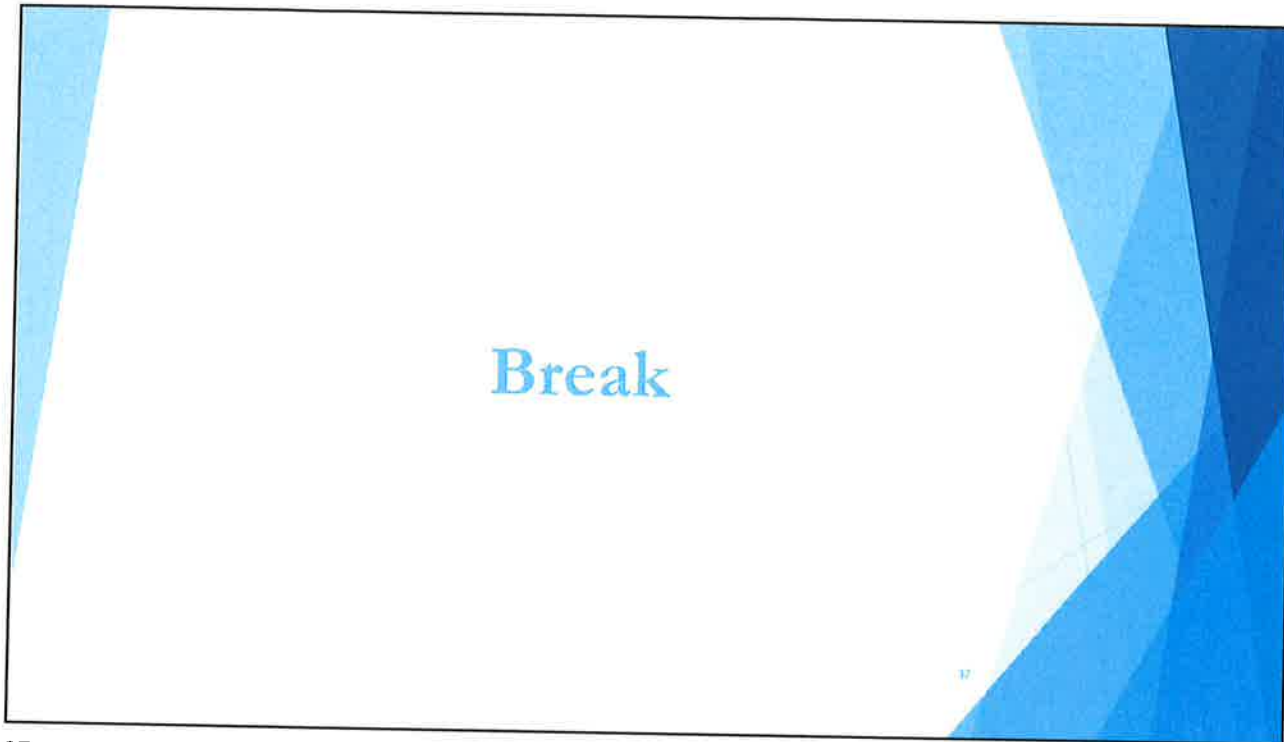
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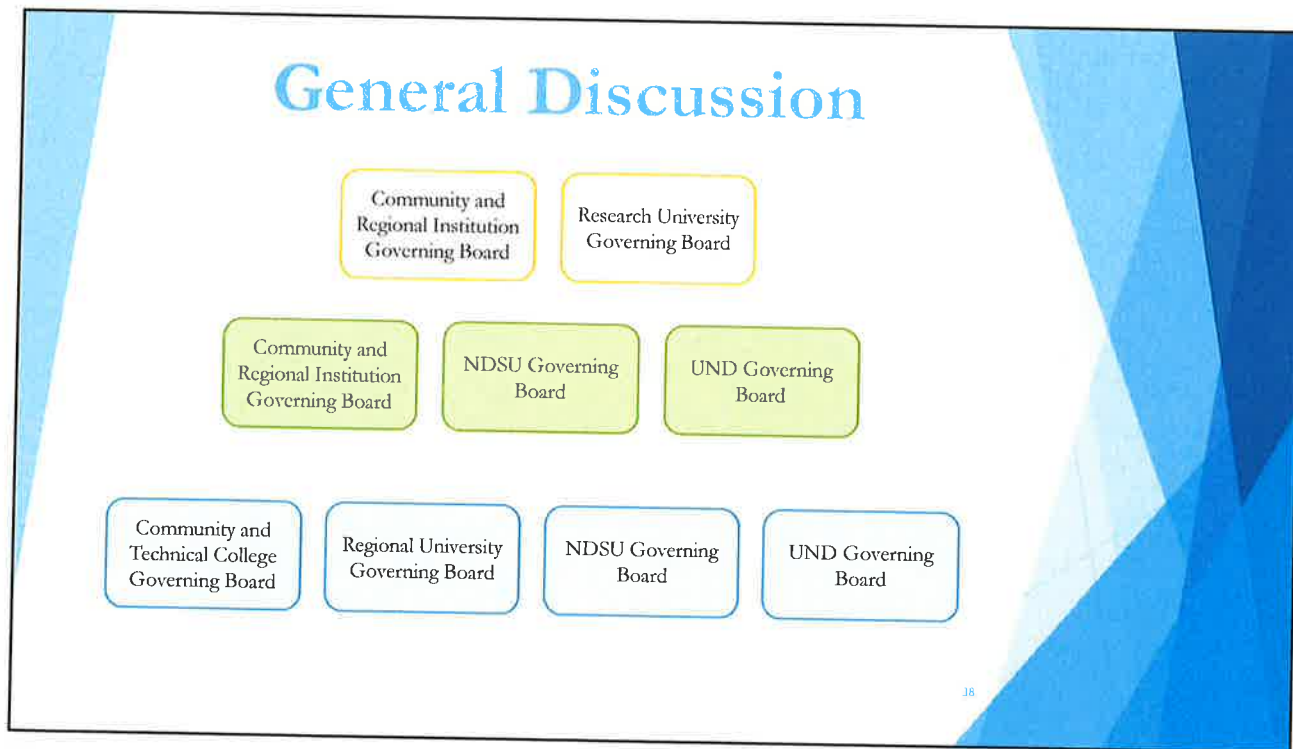
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Next Steps

- ▶ Work with Legislators to move forward during the legislative session
- ▶ Constitution vs Century Code vs Policy
- ▶ Ask all members to assist in supporting the work of the task force moving forward

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Thank you!

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APPENDIX M
Initial Staggering of Three Board Governance Appointments

Stagger at creation of Three Board System

		Community and Regional Institution Board											
Number of Board Members		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1 Member (1 year initial term)													
2 Members (2 year initial term)													
2 Members (3 Year initial term)													
1 Member (4 year initial term)													
2 Members (5 year initial term)													
2 Members (6 year initial term)													
1 Student member (1 year term)													
NDSU and UND Boards													
Number of Board Members		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1 Member (1 year initial term)													
2 Members (2 year initial term)													
1 Member (3 Year initial term)													
1 Member (4 year initial term)													
2 Members (5 year initial term)													
1 Member (6 year initial term)													
1 Student Member (1 year term)													

Term Year in Initial Staggered Term	
Term Year in 1st Regular Term	
Term Year in 1st and Final Regular Term	