

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

HIGHER EDUCATION COMMITTEE

Monday and Tuesday, May 3-4, 2004
Mayville State University, Mayville, North Dakota
Lake Region State College, Devils Lake, North Dakota

Senator Ray Holmberg, Chairman, called the meeting to order at 9:00 a.m. on Monday, May 3, 2004, at the Campus Center, Mayville State University.

Members present: Senators Ray Holmberg, Tim Flakoll, Ed Kringstad, Elroy N. Lindaas, Dave Nething; Representatives Ole Aarsvold, Bette B. Grande, Nancy Johnson, Bob Martinson, Eugene Nicholas, Darrell D. Nottestad, Steven L. Zaiser

Members absent: Senator Tony S. Grindberg; Representatives Thomas Brusegaard, Kathy Hawken, Frank Klein

Others present: See Appendix A

MAYVILLE STATE UNIVERSITY

Chairman Holmberg welcomed Representative Carol A. Niemeier, Buxton, to the meeting.

Dr. Pamela Balch, President, Mayville State University, welcomed the committee to the campus of Mayville State University and reviewed the contents of the committee's tour packet. A copy of the packet is on file in the Legislative Council office.

Mr. Steven P. Bensen, Vice President for Business Affairs, Mayville State University, provided information regarding the status of the 2003-05 budget. The information is included in the committee's tour packet. He said the university's operational expenses for the first year of the 2003-05 biennium are on track with the budgeted amount of \$6,353,098, of which \$4,397,772 is from the general fund, \$93,000 is from permanent trust fund distributions from the Land Department, and \$1,862,326 is from tuition collections.

Ms. Cherine Heckman, Vice President for Enrollment Management, Mayville State University, provided information regarding current enrollment and long-term enrollment plans. The information is included in the committee's tour packet. She said the university's fall 2003 headcount enrollment was 817, an increase of 71 from the fall 2002 headcount enrollment of 746, and the university's fall 2003 full-time equivalent (FTE) enrollment was 657, an increase of 41 from the fall 2002 FTE enrollment of 616. She said the university's strategic enrollment management goal is to reach a full-time equivalent enrollment of 800 and a headcount enrollment of 1,040 by the year 2006. She said the university intends to maintain its current

market share of traditional markets, use tuition scholarships and tuition waivers to attract students from states with a surplus of high school graduates and insufficient higher education opportunities and students from other countries, and expand articulation agreements to recruit transfer students from two-year colleges. She said due to student requests the university is reviewing the costs associated with remodeling the newest residence hall--Agassiz Hall. She said the preliminary estimate for remodeling is \$2.5 million.

Mr. Bensen provided information regarding salary adjustments and tuition rates. The information is included in the committee's tour packet. He said the university provided faculty and staff salary increases of 2.2 percent and 3.2 percent, respectively, for fiscal year 2004 and the university anticipates providing similar increases for fiscal year 2005. He said the university increased tuition rates for the 2003-04 school year by 17 percent and will increase tuition rates for the 2004-05 school year by the same percentage. He said the university has implemented four tuition waivers--student diversity, student international, student presidential, and employee spouse and child.

In response to questions from Representative Martinson regarding the student fee associated with the ConnectND project, Mr. Michel Hillman, Interim Chancellor, North Dakota University System, said the student fee for the ConnectND project is determined by the State Board of Higher Education and the revenue collected from the fee is used for debt service on the revenue bonds issued for the project, implementing necessary auxiliary information technology systems, and system operational expenses.

In response to a question from Representative Nottestad regarding tuition waivers, Mr. Bensen said students must apply each school year for a tuition waiver.

In response to a question from Senator Nething regarding tuition waivers, Mr. Bensen said a student can qualify for only one type of tuition waiver.

In response to a question from Representative Aarsvold, Mr. Bensen said at the present time, the university's tuition waivers are generating additional revenue with no additional cost.

Mr. Bensen and Mr. Bill E. Krivarchka, Director of Development, Mayville State University Foundation, provided information regarding capital improvements for the 2003-05 biennium and future capital improvement needs. The information is included in the committee's tour packet. Mr. Bensen said the 2003 Legislative Assembly provided the university capital asset funding of \$5,769,589, of which \$264,589 is from the general fund, \$4,150,000 is from local funds, and \$1,355,000 is from state bonding proceeds. He said the funding from the state bonding proceeds is for Phase 2 of the university's steamline replacement project. Information regarding the university's land and building utilization is attached as Appendix B.

Mr. Bensen said the university's future capital improvement needs to be funded from the general fund include:

- West Hall renovation (\$3,140,000).
- Classroom building entrance and heating, ventilation, and air-conditioning (HVAC) upgrade (\$579,360).
- Library building elevator (\$112,000).
- Main building renovation and HVAC upgrade (\$2,500,000).
- Science library building addition (\$650,000).

Mr. Krivarchka said the university's future capital improvement needs to be funded from local funds include:

- Northwest Hall renovation (\$500,000).
- Lewy Lee Fieldhouse improvements - Phase 3 (\$1,000,000).
- Agassiz Hall renovation (\$2,500,000).
- New student housing facility (\$5,000,000).
- Outdoor athletic complex (\$500,000).
- Soccer and softball fields (\$100,000).
- Parking lot improvements (\$50,000).

Dr. Gary D. Hagen, Vice President for Academic Affairs, Mayville State University, provided information regarding plans and accomplishments regarding the Higher Education Roundtable recommendations. The information is included in the committee's tour packet. He said in regard to economic development connection, the university has implemented bachelor in applied science degrees in business administration and computer information systems. He said in regard to educational excellence, the university has redesigned all teacher education majors in response to the No Child Left Behind Act requirements. He said in regard to the flexible and responsive system, the university has developed articulation agreements with all two-year colleges in North Dakota and western Minnesota and the university has experienced increases in dual credit and distance learning.

Ms. Allison Johnson, Director of Child Development Programs, Mayville State University, provided information regarding the university's child development programs. The information is included in the committee's tour packet. She said the university is one of the few higher education institutions in the

nation to be a grantee of the comprehensive Head Start program. She said the Child Development Programs has centers in five communities providing comprehensive services to children and families in Aneta, Cooperstown, Hillsboro, McVillage, and Mayville. She said the Child Development Programs is the primary lab site for the university's early childhood education program as students observe children and teachers in action, develop materials for instruction, and receive assisted instruction on teaching styles and developmental needs of children. She said the university has requested consideration for funding from the State Board of Higher Education for an early learning center of excellence.

In response to a question from Senator Holmberg regarding centers of excellence, Mr. Hillman said the 2003 Legislative Assembly provided the University System funding of \$400,000 from the general fund for future centers of excellence. The funding is to be distributed by the State Board of Higher Education based on criteria established pursuant to House Bill No. 1019. He said the board has adopted criteria and received six proposals for future centers of excellence. He said the board will announce the recipients of the funding in June 2004.

Mr. Jay Hendrickson, Director, Traill County Technology Center, provided comments regarding the Traill County Technology Center. The information is included in the committee's tour packet. He said the center was established in 1999 with assistance from a federal grant. He said the center's funding consists of federal funds, rental income, training and workshop fees, and funds from the Traill County Economic Development Commission. He said at the present time the center has five tenants employing 20 individuals. He said of the 20 individuals, 8 are students.

Mr. Jasper Jacobson and Mr. Craig Keating, owners, Powered Ink, provided comments regarding the value of being occupants of the Traill County Technology Center. Mr. Jacobson said Powered Ink is a web and media services business that strives for graphic excellence. Mr. Keating said he and Mr. Jacobson were 2003 graduates of Mayville State University and Powered Ink was established out of a desire to continue to live and work in North Dakota.

Ms. Nannette K. Bagstad, Education Division Chair, Mayville State University, provided comments regarding educational excellence efforts of the university. The information is included in the committee's tour packet. She said the university has been awarded a rural math and science partnership grant to improve content knowledge and teaching strategies for kindergarten through grade 12 math and science teachers.

Dr. Ray Gerszewski, Vice President for Student Affairs and Institutional Research, Mayville State University, provided comments regarding the university's efforts to sustain the vision of the Higher Education Roundtable. The information is included in the

committee's tour packet. He said the university has expanded and revised all curriculum, emphasized enrollment management, established new online programs, increased private funding, and enhanced public relations.

Mr. Keith Stenehem, Chief Information Officer, Mayville State University, provided comments regarding technology efforts of the university. He said the university will be the first tablet personal computer university in the nation beginning in summer 2004. He said the tablet personal computer combines the ease of pen and paper note-taking with a full-size performance notebook computer.

The committee recessed for lunch at 12:40 p.m.

After lunch the committee toured the campus of Mayville State University, including the Lewy Lee Fieldhouse, powerhouse and new steamline tunnel, Child Development Programs, Northwest Hall, West Hall, and Old Main Theatre.

In response to a question regarding the Lewy Lee Fieldhouse, Mr. Bensen said the fieldhouse renovation and addition was funded with revenue bond proceeds. The revenue bonds will be repaid with funds collected from a 1 percent local sales tax and a \$100 per year student fee.

In response to a question regarding Northwest Hall, the former president's residence, Mr. Krivarchka said alumni are interested in renovating Northwest Hall into an alumni center with offices for the university's foundation.

The committee recessed at 3:00 p.m. and traveled to Devils Lake.

LAKE REGION STATE COLLEGE

The committee reconvened at 9:00 a.m. on Tuesday, May 4, 2004, at the Main Building, Lake Region State College. Chairman Holmberg welcomed Senator John T. Traynor, Devils Lake, to the meeting.

Dr. Sharon L. Etemad, President, Lake Region State College, welcomed the committee to the campus and reviewed the contents of the committee's tour packet. A copy of the packet is on file in the Legislative Council office.

Dr. Etemad provided information regarding the status of the 2003-05 budget and the University System long-term financing plan. The information is included in the committee's tour packet. She said tuition collections for the 2003-05 biennium are estimated to be \$2,580,000, an increase of approximately \$524,000 from the 2001-03 biennium. She said at the present time, the college is funded at approximately 42.1 percent of its peer benchmark and is the furthest of the University System institutions from its peers as a percentage of state appropriation support. She said the college student-to-staff ratio of 23.1 to 1 is the second highest for University System institutions and the college student-to-faculty ratio of 17.4 to 1 is the system's fourth highest.

Ms. Laurel Goulding, Vice President for Student Services, Lake Region State College, provided information regarding the college's current enrollment and long-term enrollment plans. The information is included in the committee's tour packet. She said the college's fall 2003 headcount enrollment was 1,473, an increase of 133 from the fall 2002 headcount enrollment of 1,340. She said according to the annual University System enrollment report for the 2002-03 school year, the college had an unduplicated headcount enrollment of 2,737 for the 2002-03 school year. She said the college participates in outreach programs at the Grand Forks Air Force Base and leads the state in dual credit enrollments with 577 dual credit students in 126 courses for the 2002-03 school year. She said in regard to long-term enrollment plans, the college intends to create and strengthen articulation agreements, expand online course offerings, strengthen retention strategies, transition larger numbers of dual credit students to full-time, on-campus students and expand recruitment efforts for specialty programs.

In response to a question from Representative Nottestad regarding outreach programs at the Grand Forks Air Force Base, Mr. Richard Peterson, Education Outreach Officer, Lake Region State College, said the college works with students on the best option for completing coursework if students are activated for a short-term deployment.

In response to a question from Senator Nething regarding outreach programs at the Grand Forks Air Force Base, Dr. Etemad said students enrolled in classes at the Grand Forks Air Force Base pay in-state tuition.

In response to a question from Senator Holmberg regarding the college's dual credit offerings, Ms. Grace A. Kurtz, Director of Continuing Education, Lake Region State College, said a large majority of the college's dual credit instructors are employed by local school districts. She said the off-campus instructors are required to use the syllabi, textbook, and assessment requirements set by the college.

In response to questions from Representative Martinson regarding enrollment, Mr. Eddie Dunn, Vice Chancellor for Strategic Planning, North Dakota University System, said a student taking one course at three different University System institutions would be included in the headcount enrollment for each of the institutions; however, the student would only be included once in the total unduplicated University System enrollment.

In response to a question from Senator Nething regarding enrollment, Dr. Etemad said an audit of enrollment numbers is not done but the information is prepared by the University System office and institutions verify the numbers provided the office.

Dr. Etemad provided information regarding salary adjustments and tuition rates. The information is included in the committee's tour packet. She said the

college provided an average faculty and staff salary increase of 4.9 percent for fiscal year 2003 and 3.5 percent for fiscal year 2004. She said the college increased tuition for the 2003-04 school year by 14.5 percent. She said beginning in fiscal year 2004, the college is offering in-state tuition rates to all out-of-state students except students from Minnesota. She said in-state tuition rates cannot be offered to students from Minnesota due to the North Dakota-Minnesota reciprocity agreement.

Ms. Eileen Gray, Sign Language Interpreter Program Coordinator, Lake Region State College, provided information regarding the college's American sign language and interpreting studies program. The information is included in the committee's tour packet. She said the program is delivered through a partnership between the college and the School for the Deaf and the program provides two levels of training--a certification in American sign language studies and an associate of applied science degree in American sign language and interpreting studies. She said at the present time there are only 15 certified interpreters in the state and certified interpreters receive competitive salaries.

Ms. Julie Traynor, Nursing Program Coordinator, Lake Region State College, provided information regarding the college's nursing program. The information is included in the committee's tour packet. She said the college offers an associate of applied science degree in practical nursing in collaboration with Williston State College and Bismarck State College. She said the college graduated six students from the program in May 2003 and expects to graduate 25 students in May 2004.

Mr. Lloyd Halvorson, Peace Officer Training Program Director, Lake Region State College, provided information regarding the college's peace officer training program. The information is included in the committee's tour packet. He said a majority of the program's coursework is taught in a hands-on manner providing candidates with a working knowledge of the performance of police tasks. He said students must successfully complete all performance blocks of instruction to remain in the program. He said the college has partnered with the City of Fargo to provide training in the Fargo area and the college has integrated correctional officer training into the program at the request of the Department of Corrections and Rehabilitation.

The committee recessed for lunch at 11:30 a.m.

After lunch Dr. Etemad provided a virtual tour of Lake Region State College facilities, including the Paul Hoghaug Library, Robert Fawcett Auditorium,

Leevers Welcome Center, and science laboratory area.

Dr. Etemad said the college's future capital improvement needs include remodeling of the science wing, an addition to the classroom wing, an addition and renovation of the student services area, renovation of North Hall, and renovation of the college's gymnasium. She said the college received a grant from the state's preliminary planning revolving fund for completing architectural renderings for the remodeling of the science wing and an addition to the classroom wing.

Mr. Lee Dobrinz, Foss Associates Architecture and Interiors, Fargo, provided information regarding the proposed science wing renovation and addition to the classroom wing. A copy of the information is on file in the Legislative Council office. He said the renovation of the science wing is needed to eliminate health and safety hazards as well as to upgrade the facility to meet current educational needs and the addition to the classroom wing would provide a new videoconferencing space to support the collaborative distance delivery of nursing education. He said the estimated cost for the project is \$1,020,150.

Chairman Holmberg said the committee's next meeting is scheduled for Monday and Tuesday, June 14-15, 2004. He said the committee will conduct a tour of Bismarck State College on Monday, June 14, 2004, and will hold a meeting with the Higher Education Roundtable on Tuesday, June 15, 2004.

It was moved by Representative Nottestad, seconded by Representative Grande, and carried on a voice vote that the Higher Education Committee meeting be adjourned subject to the call of the chair.

Chairman Holmberg adjourned the meeting at 12:55 p.m.

Roxanne Woeste
Senior Fiscal Analyst

Jim W. Smith
Legislative Budget Analyst and Auditor

ATTACH:3