

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

HIGHER EDUCATION COMMITTEE

Wednesday and Thursday, May 21-22, 2008
School for the Deaf, Devils Lake, North Dakota
University of North Dakota, Grand Forks, North Dakota

Representative Ken Svedjan, Chairman, called the meeting to order at 9:00 a.m. on Wednesday, May 21, 2008, at the School for the Deaf, Devils Lake.

Members present: Representatives Ken Svedjan, Lois Delmore, RaeAnn G. Kelsch, Matthew M. Klein, Bob Martinson, Jasper Schneider, Bob Skarphol, John D. Wall, Clark Williams; Senators Ray Holmberg, Karen K. Krebsbach, Elroy N. Lindaas, Dave Nething, Dave Oehlke, Larry J. Robinson

Members absent: Representative Kathy Hawken; Senator Tracy Potter

Others present: Curt Hofstad, State Representative, Devils Lake

Dennis Johnson, State Representative, Devils Lake

Jim W. Smith, Legislative Council, Bismarck

Representatives Merle Boucher and Lee Kaldor, members of the Legislative Council, were also in attendance.

See attached [appendix](#) for additional persons present.

It was moved by Representative Klein, seconded by Representative Delmore, and carried on a voice vote that the minutes of the April 23, 2008, meeting be approved as distributed.

STUDY OF THE PROVISIONS OF SERVICES TO CHILDREN AND ADULTS WHO ARE DEAF OR HEARING-IMPAIRED

Mr. Dennis Fogelson, Superintendent, School for the Deaf, welcomed the committee to the School for the Deaf. He presented a video to the committee that detailed the history of the school.

Ms. Carol Lybeck, Director of Education and Outreach Services, School for the Deaf, presented information regarding services provided by the school. She said the school provides educational programming that meets state standards while addressing the needs of hearing-impaired students. She said the school serves a wide range of cognitive and academic abilities, including students that have disabilities in addition to hearing impairment. She said some students are taught a "life skills" program which allows the students to practice skills in the environment they are likely to live in.

Ms. Lybeck said the School for the Deaf operates several outreach programs that provide resources and assistance to students, school districts, and families to meet the educational needs of deaf and hard-of-hearing students in their home districts. She said

services that are provided include comprehensive evaluations of students, consulting services to local schoolteachers, parent education, sign language and interpreter resources, and distance-learning opportunities.

Ms. Lybeck said 2005 House Bill No. 1231 allows the School for the Deaf to provide services to adults who are deaf or hearing-impaired. She said the school provides assessment support, consultations, aural rehabilitation and communication strategies, assistive technology support, awareness training, information and resources, and advocacy for communication access.

Ms. Lybeck said the School for the Deaf provides residential services to students who remain on campus during the school week. She said students that utilize residential services have an opportunity to enhance communication and social skills by interacting with their peers.

Ms. Lybeck presented the following schedule that details the number of persons receiving services from the School for the Deaf:

Service	2001-03	2003-05	2005-07	2007-09 ¹
Students served	67	59	57	27
Total served by outreach programs	4,301	6,055	8,943	4,000
Interpreter services	221	359	617	375
Deaf-blind services	78	74	80	43
Parent-infant program contacts	32	36	36	32
Outreach class attendance	295	300	965	95
Off-campus otoacoustic emissions	0	0	271	102

¹Through May 20, 2008.

A copy of the information presented is on file in the Legislative Council office.

In response to a question from Senator Robinson, Ms. Lybeck said language access, language ability, and local staff resources determine whether a student should attend the School for the Deaf or receive outreach services.

In response to a question from Representative Svedjan, Ms. Lybeck said some students attend classes at Devils Lake Public School. She said the School for the Deaf does not pay tuition to the Devils Lake Public School for students to attend classes.

In response to a question from Representative Skarphol, Ms. Lybeck said utilization of outreach

services has increased due to the outreach program becoming fully staffed and more citizens becoming aware of the available services.

The committee conducted a tour of the campus of the School for the Deaf. Committee members toured various buildings, including the Blackhurst Dormitory, A. R. Spear School Building, and Vocational and Trades Building. The committee also viewed students receiving educational instruction in a classroom setting.

The committee recessed for lunch at 12:00 noon and reconvened at 12:45 p.m.

Mr. Eric Lysne, Director of Business Administration, School for the Deaf, presented information regarding the school's budget. He said salaries and wages comprise 72.3 percent of the school's budget, operating expenses comprise 22.8 percent, and capital assets comprise 4.9 percent. He said the school currently has 43.94 full-time equivalent (FTE) positions, which is a decrease of 5.25 FTE positions from the 2005-07 biennium.

Mr. Lysne said the average estimated annual cost per on-campus student is \$80,300. He said of the \$80,300, \$72,525 is from the general fund.

Mr. Lysne presented information on the facilities used by the School for the Deaf. He said there is a total of 139,811 square feet of space in the buildings on campus. Of the total square feet, he said, 88,329 square feet is considered essential to the operation of the school. He said the total replacement value of all buildings on campus is \$14,265,810.

Mr. Lysne presented a map summarizing the home location of the school's students and locations of outreach services. He said the school currently has one out-of-state student. A copy of the information presented is on file in the Legislative Council office.

In response to a question from Representative Svedjan, Mr. Lysne said transportation is provided during the school year between students' homes and the School for the Deaf. He said transportation is only provided to students who reside on campus during the school week.

In response to a question from Representative Skarphol, Mr. Lysne said the infirmary building on campus presents a safety concern. He said the building is not currently in use and has asbestos and mold problems.

Representative Skarphol suggested the School for the Deaf include funding for building demolition in its 2009-11 budget request.

Mr. Fred Bott, Mayor, Devils Lake, presented testimony to the committee regarding uses of vacant property on the school's campus. He said a committee has been meeting to discuss the feasibility of building a community center on the west side of the school. A copy of the testimony presented is on file in the Legislative Council office.

In response to a question from Representative Boucher, Mr. Bott said the community center project would cost approximately \$6 million.

In response to a question from Representative Svedjan, Mr. Bott said the proposed community center would be built on land owned by the state.

Ms. Morgan Leapaldt presented testimony to the committee regarding services provided by the school. Ms. Leapaldt said she attended the School for the Deaf through the eighth grade and is now a sophomore at Leeds Public School. She said the School for the Deaf provides outreach services that allow her to continue her education in her hometown school. A copy of the testimony is on file in the Legislative Council office.

Chairman Svedjan asked the School for the Deaf to provide the committee information at a future meeting regarding potential uses for renovated buildings on campus, buildings that should be removed, and land available on campus for future use or sale.

Representative Klein suggested the committee receive information on organizations that may be interested in using available space at the school. Mr. Fogelson said the school would provide the information to the committee at a future meeting.

Representative Kelsch suggested the committee receive information regarding the future vision of the school, including long-term site and facility plans. Chairman Svedjan asked the school to provide the information.

In response to a question from Senator Robinson, Mr. Fogelson said the school would like to increase its outreach services and services provided to adults.

Chairman Svedjan asked the school to project the number of people the school will serve over the next 10 years.

In response to a question from Representative Boucher, Mr. Fogelson said the school may be able to generate additional revenue by offering services to other entities. He said the school may consider implementing a real-time captioning service.

Representative Skarphol suggested the committee receive information regarding whether a private entity may pay for renovations on state-owned buildings and subsequently lease the building. Chairman Svedjan asked the Legislative Council staff to provide this information at a future meeting.

Ms. Laurel Goulding, Vice President of Student Services, Lake Region State College, presented testimony to the committee regarding the partnership between the School for the Deaf and Lake Region State College. She said the partnership allows shared use of Interactive Video Network classrooms, shared use of interpreting services, and the development and delivery of the American Sign Language and Interpreting Studies program. A copy of the testimony presented is on file in the Legislative Council office.

In response to a question from Representative Svedjan, Ms. Goulding said the college would consider the feasibility of utilizing School for the Deaf buildings as college classrooms.

Mr. David Zimmerman, teacher, School for the Deaf, presented testimony regarding the educational opportunities at the school. He said the school

provides an opportunity for students to learn in classes that meet their specific needs and abilities. He said deaf students may not have adequate instruction in a regular school setting. A copy of the testimony is on file in the Legislative Council office.

Mr. Steve Swiontek, Superintendent, Devils Lake Public Schools, provided comments to the committee regarding the collaboration between the School for the Deaf and the Devils Lake Public School system. He said the schools co-op in sports and have a partnership for mainstreaming students into the public school system. He said a reverse mainstreaming program also allows Devils Lake Public School students to attend classes at the School for the Deaf.

In response to a question from Representative Svedjan, Mr. Swiontek said it would be difficult to combine administrations of the School for the Deaf and Devils Lake Public School District. He said some efficiency may be realized by combining certain areas, such as janitorial services and the school lunch program.

Chairman Svedjan asked the School for the Deaf to provide an aging analysis of the buildings on campus.

Representative Kelsch said regional education associations or kindergarten through grade 12 school systems may be able to utilize available buildings on campus in the future.

Dr. Richard Kunkel presented testimony to the committee regarding the School for the Deaf. He said the school provides its students an opportunity to learn both during class and after the schoolday. He said the social interaction of students is an important part of the school. A copy of the testimony is on file in the Legislative Council office.

Ms. Linda Mayfield, parent of a School for the Deaf student, presented testimony regarding the school. She said her family moved to North Dakota primarily due to the services offered by the school. She said she researched schools across the United States and Canada and felt that North Dakota provided the best education for deaf students. A copy of the testimony is on file in the Legislative Council office.

Ms. Denise Wolf, Director, Lake Area Career and Technology Center, provided comments to the committee regarding additional education available to School for the Deaf students. She said students are able to enhance their education through vocational training provided by the Lake Area Career and Technology Center.

Representative Dennis Johnson, Devils Lake, provided comments to the committee on the school. He said the outreach services provided by the school are an asset to the entire state.

Ms. Terry Solheim provided testimony to the committee regarding services provided by the school. She said the language skills provided by the school enable students to effectively communicate with others. She said the school allows students to learn in a supportive atmosphere. A copy of the testimony is on file in the Legislative Council office.

Ms. Sherri Nelson, Deaf-Blind Project Coordinator, School for the Deaf, presented testimony regarding services provided to her hearing-impaired son. She said the school allows her son to interact with other students and teachers directly instead of through an interpreter. She said the school also provided the opportunity for her son to participate in classes at Devils Lake Public School.

Representative Skarphol suggested Lake Region State College consider creating a center of excellence in hearing impairment.

Representative Boucher suggested the School for the Deaf become more involved in providing online educational opportunities to hearing-impaired persons.

Ms. Holly Pedersen, special education faculty member, Minot State University, provided testimony to the committee regarding education available for teachers of hearing-impaired students. She said Minot State University offers options for students to take classes in education to teach students who are hard-of-hearing. A copy of the testimony is on file in the Legislative Council office.

Mr. Gerald Geist, Jr., North Dakota School for the Deaf Society, presented testimony to the committee regarding careers of school graduates. He said 70 percent of all graduates from 1960 to 2000 are in a career that allows them to remain self-sufficient. He said the national employment rate of working-age deaf adults is 30 percent to 45 percent. A copy of the testimony is on file in the Legislative Council office.

Dr. Gary Gronberg, Assistant Superintendent, Department of Public Instruction, commented regarding a study being conducted by the University of Northern Colorado on national trends in education of hearing-impaired students. He said results of the study should be available for the committee's next meeting.

Chairman Svedjan asked the School for the Deaf to provide the committee with information on all staff positions at the school, including positions that may be impacted by retirements in the next five years and any proposed changes.

Mr. Fogelson presented information to the committee regarding the recommendations that were provided by the Blue Ribbon Task Force. He said the task force recommended the Superintendent of Public Instruction approve and authorize the following recommendations:

- Allow the school to pursue high-priority revenue projects.
- Allow the school to reduce high-priority expenditures.
- Allow the school to pursue high-priority collaborative agreements.
- Allow the school to pursue high-priority outreach and marketing concepts.
- Expansion of mission to include delivery of programs to adults over the age of 21.
- Modification of the school's strategic plan to incorporate economization measures.

- Identification and implementation of additional alternatives for enhancing the school's short-term and long-term cost-effectiveness.
- Assessment of progress of the recommendations.

A copy of the information presented is on file in the Legislative Council office.

In response to a question from Representative Svedjan, Dr. Gronberg said the Department of Public Instruction believes progress is being made to address the recommendations of the Blue Ribbon Task Force.

Senator Nething suggested the School for the Deaf provide information to the committee regarding its vision for expanding the school's outreach program. Chairman Svedjan asked the school to provide this information at a future meeting.

Representative Skarphol suggested the committee receive information from Legislative Council staff regarding services provided to hearing-impaired students in neighboring states.

Representative Skarphol suggested the committee receive information from the School for the Deaf regarding the types of college degrees and careers of its students after graduation.

Representative Kelsch suggested the committee receive information from the School for the Deaf regarding the number of children in the state with a hearing disorder, including those being served by programs other than the School for the Deaf.

Representative Skarphol suggested the committee receive information from the Department of Public Instruction regarding the cost of educating hearing-impaired students in public schools compared to the School for the Deaf.

Chairman Svedjan asked the Legislative Council staff to provide information available from other state agencies on the number of hearing-impaired individuals in the state and on the number of service providers located in the state for hearing-impaired persons.

Representative Kelsch suggested the committee receive information from the School for the Deaf on services provided in other states for hearing-impaired students, including the feasibility of having additional out-of-state students attend the school.

The committee recessed at 4:00 p.m.

HIGHER EDUCATION STUDY

The committee reconvened at 9:00 a.m. on Thursday, May 22, 2008, in the University Place Building, University of North Dakota, Grand Forks.

Dr. Charles E. Kupchella, President, University of North Dakota, welcomed committee members to the campus. He said attention should be given to the economic focus of higher education institutions, including attracting and retaining nonresident students. He said funding of higher education institutions continues to be a concern, including the process used to determine adequate institution funding.

Chairman Svedjan called on Mr. Dennis Jones, President, National Center for Higher Education Management Systems, to review goals previously outlined by the committee. Mr. Jones presented information summarizing [goals outlined by the committee and potential measures](#). A copy of the information presented is on file in the Legislative Council office.

Education Attainment

Mr. Jones said the committee previously discussed a potential goal to have the education attainment of North Dakota's population be at the level of the highest performing countries in the world. He said potential measures of the goal are the proportion of the population aged 25 to 34 with an associate degree or higher and benchmarking against data for industrialized countries of the world.

Mr. Jones said supporting goals of education attainment are having high school graduates enter college prepared to succeed, and having high levels of participation, retention, and completion for all students, including those from historically disadvantaged and high-risk populations.

In response to a question from Representative Svedjan, Mr. Jones said there should be clear expectations given to kindergarten through grade 12 education for what is required for a student to attend college.

Representative Kelsch said teaching education institutions need to be aware of new college standards to ensure new teachers are able to properly instruct students.

In response to a question from Senator Holmberg, Mr. Jones said it is beneficial to students to know what areas they are deficient in while still in high school. He said some states have placement tests for high school juniors that allow the student to improve on deficient areas during their senior year of high school.

Senator Nething expressed concern that the goal measurements are focused on inputs rather than outputs. He said a potential measurement could be employer satisfaction with college graduates.

Dr. Michel Hillman, Vice Chancellor for Academic and Student Affairs, North Dakota University System, said employers are currently being surveyed to determine satisfaction with graduates of the University System.

In response to a question from Senator Nething, Chairman Svedjan said the goals being developed by the committee would not replace goals previously identified for higher education. He said the goals being reviewed would be coordinated with existing goals to provide updated measures.

It was moved by Senator Oehlke, seconded by Representative Wall, and carried on a voice vote that the committee adopt the following goal: The education attainment of North Dakota's population will be at the level of the highest performing countries in the world.

Accessibility of Higher Education

Mr. Jones said the committee previously discussed a potential goal of having a range of educational programs available to students in all parts of North Dakota. He said a benchmark for the goal may include the proportion of the state's population between the ages of 18 and 65 living within a certain distance of a site where programs are available.

Senator Nething said a measure for accessibility should not focus on a specific age group.

In response to a comment from Representative Wall, Mr. Jones said students generally stay close to home when choosing a higher education institution. He said the University System needs to focus on collaboration between campuses to provide appropriate programs across the state.

In response to a question from Representative Skarphol, Mr. Jones said it may be more cost-effective to offer programs at additional locations by utilizing technology. He said efficiency can be realized by having one large class instead of several smaller classes.

It was moved by Representative Klein, seconded by Representative Skarphol, and carried on a voice vote that the committee adopt the following goal: Students in all parts of North Dakota will have ready access to both two- and four-year degrees in a wide range of academic programs.

Contribution to Economic Development

Mr. Jones said the committee previously discussed a goal to have higher education contribute to increasing the number of high-wage jobs in the state. He said a measure for the goal may be the number of jobs in the state that pay at least twice the amount established as the poverty level.

Mr. Jones said supporting goals for economic development include the University System producing graduates who are educated to meet the needs of the state's economy, the University System being responsive to the training needs of the state's employers, and research conducted at the state's universities contributing to the expansion and diversification of the state's economy.

Representative Delmore said measures for an economic development goal should focus on regional needs rather than just state needs.

In response to a question from Representative Skarphol, Mr. Jones said other states obtain information from their higher education institutions for comparison purposes.

It was moved by Senator Lindaas, seconded by Senator Robinson, and carried on a voice vote that the committee adopt the following goal: North Dakota will have an increasing number of high-wage jobs.

Affordability

Mr. Jones said the committee previously discussed a goal to have higher education in North Dakota be affordable to both the taxpayers and students of the

state. He said potential measures of the goal include having tuition and required fees relative to the lowest quintile per capita income in the state, the number of degrees and certificates produced relative to annual state appropriation plus tuition revenue, and the average amount of debt incurred by college graduates who attain an associate or baccalaureate degree.

In response to a question from Representative Svedjan, Mr. Jones said measures for the goal could involve all educational programs instead of being limited to specific degree levels.

In response to a question from Senator Holmberg, Mr. Jones said data on student debt may not take into account costs associated with student lifestyle. He said it may be beneficial to consider measuring the cost to attend college rather than the amount of debt a student accumulates while attaining an education.

Representative Skarphol said the determination of a student may impact the amount of debt he or she accumulates in college. He said an incentive may be needed for students to complete their education in a reasonable time.

It was moved by Senator Krebsbach, seconded by Representative Klein, and carried on a voice vote that the committee adopt the following goal: Higher education in North Dakota will be affordable to both students and the taxpayers of the state.

Mr. Jones said the committee would review goals related to system governance at a future meeting.

Mr. Jones said the committee should consider the extent to which it is dependent on other states for offering higher education programs to its residents. He said it may be more cost-effective to rely on neighboring states to offer a program rather than creating a new program in state. He said the committee should also explore the possibility of mission changes for smaller four-year institutions. He said smaller schools may not be "over-funded," but may be "under-enrolled."

In response to a question from Representative Skarphol, Mr. Jones said institutions need to recognize the demands of the region and develop appropriate educational programs to meet these demands. He said it would help employers to understand the value of educated workers.

In response to a question from Representative Delmore, Mr. Jones said small class sizes at certain institutions allow for more students to enroll in a class with minimal additional cost to the university.

Representative Skarphol said it is important for the committee to have open communication with the State Board of Higher Education while discussing possible changes to the higher education system.

In response to a question from Representative Svedjan, Mr. Jones said the role of an institution may be a factor in attracting students to an underutilized campus.

Mr. Jones said the state directs most higher education funding to institutions rather than students. He said the committee should review the

appropriateness of providing additional funding to students in the form of grants and scholarships.

In response to a question from Representative Skarphol, Mr. Jones said the University System should use an established benchmark such as the consumer price index to compute inflationary increases.

In response to a question from Senator Nething, Mr. Jones said selective enrollment policies may impact graduation rates of an institution.

The committee recessed for lunch at 12:00 noon and reconvened at 12:30 p.m.

Ms. Laura Glatt, Vice Chancellor for Administrative Affairs, North Dakota University System, presented information regarding the long-term finance plan of the University System. She said the plan compares funding levels of University System institutions to similar institutions nationwide. She said the plan has components for base operating funds, capital assets funds, and incentive funds.

Ms. Glatt said the University System does not have an internal audit department. She said only the University of North Dakota and North Dakota State University campuses have internal auditors. A copy of the information presented is on file in the Legislative Council office.

In response to a question from Representative Svedjan, Ms. Glatt said a peer comparison funding method provides an objective measurement of how much funding should be provided to an institution.

Representative Svedjan expressed concern that peer comparison funding may not be appropriate.

In response to a question from Senator Robinson, Ms. Glatt said equity allocations are directed to institutions that are furthest from their peers. She said the University System's 2009-11 budget request will recommend providing a minimum allocation to campuses.

In response to a question from Representative Skarphol, Ms. Glatt said creating a two-tier higher education system may not be beneficial for the state. She said it may discourage efficiencies realized through all institutions operating as a system.

Dr. Kupchella said the peer comparison funding method may not properly address specific funding concerns that result from institutional missions.

Ms. Pam Kostecky, State Board of Higher Education, presented information to the committee regarding the roles and responsibilities of the State Board of Higher Education, chancellor, and institution presidents. She said a 2006 State Board of Higher Education task force reviewed the governance of the University System. She said the task force determined there were no changes needed to the current higher education structure.

In response to a question from Representative Svedjan, Mr. Jones said for the state to be successful the State Board of Higher Education and Legislative Assembly need to be in agreement on policy issues.

Mr. Jones said governance is often impacted by small events that are treated as major issues. He said governance structures are often the first item to be considered for change when an issue arises. He said governance structures should only be changed when necessary.

In response to a question from Senator Lindaas, Mr. Jones said communication between the State Board of Higher Education and Legislative Assembly needs to be as open as possible while still complying with individual roles and responsibilities.

In response to a question from Representative Martinson, Mr. Jones said the State Board of Higher Education needs to serve the state as a unified system. He said measures should be taken when roles are not followed appropriately.

Mr. Jones said reconvening the Higher Education Roundtable would provide a basis to restate the relationship between the Legislative Assembly and State Board of Higher Education. He said effort is needed to provide continuation of the roundtable process.

Representative Svedjan said it would be beneficial for the Higher Education Roundtable to meet twice every biennium.

In response to a question from Representative Skarphol, Mr. Jim W. Smith, Director, Legislative Council, said the Higher Education Committee may convene a Higher Education Roundtable meeting.

Chairman Svedjan said the committee should plan to reconvene the Higher Education Roundtable.

Mr. William G. Goetz, Chancellor, North Dakota University System, said steps need to be taken to restore trust between the University System and Legislative Assembly. He said future higher education discussions should also include private sector representatives.

The committee was adjourned subject to the call of the chair at 3:30 p.m.

Brady A. Larson
Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:1