

# NORTH DAKOTA LEGISLATIVE COUNCIL

## Minutes of the

### HIGHER EDUCATION COMMITTEE

Tuesday and Wednesday, September 9-10, 2008  
Missouri Room, Student Union, Minot State University  
Minot, North Dakota

Representative Ken Svedjan, Chairman, called the meeting to order at 9:00 a.m.

**Members present:** Representatives Ken Svedjan, Lois Delmore, Kathy Hawken, 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 Oehlke, Tracy Potter, Larry J. Robinson

**Member absent:** Senator Dave Nething

**Others present:** Kari L. Conrad, State Representative, Minot

Robert M. Horne, State Senator, Minot

Tom Seymour, State Senator, Minot

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

Dr. David Fuller, President, Minot State University, welcomed the committee to the campus. He said the university is implementing a recruiting initiative to attract students from certain geographic areas, including Canada. Dr. Fuller also said the university recently opened an office at Minot High School to enable high school students to learn more about the university.

In response to a question from Representative Svedjan, Dr. Fuller said the university is completing a study of student retention. He said the study is only focusing on Minot State University, but the study data is being provided to other institutions.

In response to a question from Representative Svedjan, Dr. Fuller said the university is collaborating with Williston State College, Bismarck State College, and Dickinson State University to implement energy education programs.

In response to a question from Representative Svedjan, Dr. Fuller said the Higher Education Roundtable will provide an opportunity for discussion of human capital development. He said Minot State University is involving more students in the community through career programs and civic activities.

In response to a question from Senator Robinson, Dr. Fuller said preliminary data indicates a slight decrease in enrollment at the university for the fall 2008 semester. He said complete enrollment data will not be available until the fourth week of classes.

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

Mr. Bob Rutten, Director of Special Education, Department of Public Instruction, provided information regarding the education of deaf and hearing-impaired students. He said the federal Individuals With Disabilities Education Act ensures all children with disabilities receive a free and appropriate education.

In response to a question from Representative Svedjan, Mr. Rutten said federal disabilities education regulations apply to students regardless of whether they are educated at the School for the Deaf or at a local school district. He said the state may lose federal funding for special education if the state does not comply with federal regulations.

Mr. Rutten presented information regarding a study of deaf and hearing-impaired education conducted by the National Center on Severe and Sensory Disabilities at the University of Northern Colorado. He said the center outlined five primary options for the state to consider regarding services for deaf and hearing-impaired students at the School for the Deaf:

1. Maintain current services at the School for the Deaf.
2. Reconfigure the School for the Deaf by eliminating the residential program but keeping either a day program only, an outreach program only, or only utilize regional centers.
3. Create a center for technology that makes the delivery of services possible statewide and reconfigure the current campus to serve as the base.
4. Collaborate with other state departments of education to serve out-of-state students who are deaf or hard-of-hearing, either on the School for the Deaf campus or in a virtual environment.
5. Close the School for the Deaf and rely on local education agencies to deliver education and services to North Dakota residents who are deaf or hard-of-hearing.

Mr. Rutten provided a document detailing the advantages and disadvantages of each of the options.

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

Representative Svedjan asked the Department of Public Instruction to provide, at the next meeting, recommendations regarding the priority of the primary options.

Representative Kelsch said supporting data for each of the options may be needed before the committee can make a decision on which options to pursue.

Representative Skarphol suggested the committee receive financial information regarding each of the options.

The Legislative Council staff presented a memorandum entitled [Other States' Schools for Deaf or Hearing-Impaired Students](#). The memorandum provides information on the governance, costs, and contracts of other states' schools for deaf and hearing-impaired students. The Legislative Council staff said per student costs of educating deaf or hearing-impaired students in a residential setting ranges from \$65,000 to \$95,000 in other regional states. He said the state of Nebraska has a contract with the Iowa School for the Deaf to educate Nebraska deaf and hearing-impaired students who need a residential setting.

The Legislative Council staff presented a memorandum entitled [North Dakota Vision Services - School for the Blind - Transition From Residential Program](#). The memorandum provides information on the change in mission from a residential program to an outreach program at North Dakota Vision Services - School for the Blind.

In response to a question from Representative Svedjan, Mr. Rutten said North Dakota Vision Services - School for the Blind does not operate regional centers. He said some services are provided through outreach offices located in Minot, Bismarck, Jamestown, and Fargo.

Mr. Dennis Fogelson, Superintendent, School for the Deaf, commented on the primary options provided in the study conducted by the National Center on Severe and Sensory Disabilities. He said discontinuing residential services at the School for the Deaf would have a major impact on the school and community.

Mr. Fogelson said it may be feasible for the School for the Deaf to use technology to educate deaf and hearing-impaired high school students in local school districts. He said younger students may need more interaction with instructors than what is offered through a distance technology setting.

Mr. Fogelson provided information regarding the estimated costs of educating deaf and hearing-impaired students in local school districts through a distance program based at the School for the Deaf. He said the estimated costs to start the distance program would be approximately \$396,000 for the 2009-11 biennium.

In response to a question from Representative Skarphol, Mr. Fogelson said costs for local school districts may be reduced if instruction is provided by the School for the Deaf through a distance program.

He said the savings would be realized by reducing the number of staff needed in the local school district.

In response to a question from Senator Potter, Mr. Fogelson said the school attempts to consult parents when planning educational programming at the school.

In response to a question from Representative Delmore, Ms. Carol Lybeck, Outreach Coordinator, School for the Deaf, said the school currently serves approximately 30 students in local school districts. She said services are provided either directly to the student or through consultations with local school district officials.

Dr. Gary Gronberg, Assistant Superintendent, Department of Public Instruction, provided information regarding the feasibility of combining the administration of the School for the Deaf with another education entity. He said contractual agreements are currently in place between some state institutions and local school districts. He said the State Hospital and the Developmental Center at Westwood Park have both provided education to their residents through local school districts.

In response to a question from Representative Wall, Dr. Gronberg said students who are blind or visually impaired may not have as much difficulty integrating into regular classrooms as deaf students.

In response to a question from Representative Svedjan, Dr. Gronberg said North Dakota Vision Services - School for the Blind provides short-term programs to both children and adults.

Dr. Gronberg said it would be feasible to combine the administration of the School for the Deaf with a local school district or special education district. However, he said, combining administrations may not result in a significant overall cost-savings. He said it may be possible to collaborate with other states to educate their students at the School for the Deaf.

Dr. Gronberg said the culture of the School for the Deaf is an important part of the learning process for deaf and hearing-impaired students. He said stakeholders of the school have concerns with any changes that may occur to services provided by the school.

Dr. Gronberg said parents of deaf and hearing-impaired students may choose whether educational services for their children be provided in the local school or at the School for the Deaf. He said the state needs to be prepared to accommodate these children in both settings.

In response to a question from Representative Skarphol, Dr. Gronberg said the overall costs of deaf and hearing-impaired education may be similar regardless of what options are implemented.

In response to a question from Representative Kelsch, Dr. Gronberg said the appropriate educational setting for a student depends on the particular needs of the student.

Representative Kelsch suggested the committee receive information from parents of children who are deaf or hearing-impaired regarding the effects of

placing children in a residential setting compared to a local school district program.

Mr. Fogelson presented the following schedule detailing the unduplicated number of students served by School for the Deaf programs:

On-campus students	27
Outreach department	1,291
Communication department	392
Technology department	246
Deaf-blind grant	43
Food service department	140
Reverse mainstream program	35
<b>Total</b>	<b>2,174</b>

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

Ms. Lybeck presented information regarding a survey that was conducted of School for the Deaf graduates who attended but did not complete college. She said the main reason indicated by students for not completing college was the distance from home and lack of familiar support systems.

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

Mr. Fogelson presented information regarding potential revenue-generating programs that could be implemented at the School for the Deaf. He said an expansion of the deaf captioning center would enable the school to provide real-time captioning services as well as offline captioning. He said the school could potentially generate up to \$25,220 per year for each in-state school receiving real-time captioning and \$7,200 per month for providing offline captioning. He said additional employees would be needed to provide the additional captioning services.

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

The committee recessed for lunch at 12:00 noon and reconvened at 1:00 p.m.

Dr. Brent Askvig, Executive Director, North Dakota Center for Persons with Disabilities, provided information to the committee regarding the center. He said the center is involved with four projects that affect deaf and hearing-impaired persons:

- ND Hear Now Program - Newborn hearing screening.
- Data linkage - Joint project with the State Department of Health to ensure all children receive a hearing screening.
- Real-time remote captioning - Providing interpreting services to students in local school districts through interactive video.
- Diagnostic hearing tests - Hearing tests performed through telemedicine.

Mr. Ralph Charley, Director, Souris Valley Special Services, presented information to the committee regarding the education of deaf and hearing-impaired students in local school districts. He said 32 deaf or hearing-impaired students are served through Souris Valley Special Services. He said two of the students require an interpreter. He said the cost of the deaf

and hearing-impaired program is \$171,600 per year. He said Souris Valley Special Services serves a total of 21 school districts.

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

Representative Svedjan said because of the complexity of the issues relating to this study, the committee may need additional information before making a recommendation for changes to the School for the Deaf. He said further study may be needed during the next interim. He suggested the committee consider recommending a bill to the Legislative Assembly to provide funds to hire a consultant to assist an interim committee further study the school during the 2009-10 interim.

In response to a question from Senator Robinson, Representative Svedjan said additional stakeholder input is also needed on the various options available for the School for the Deaf.

Representative Kelsch expressed support for a bill to provide funding for a consultant and further study. She said consideration should also be given to changes that can be implemented before the next interim.

Representative Hawken expressed concern with retaining a consultant. She said enough information may already exist to make a decision. She said the School for the Deaf could also evaluate the various program proposals and provide recommendations to the Legislative Assembly.

Representative Skarphol said making changes to the structure of deaf and hearing-impaired education may not be an urgent issue. He suggested the committee receive more information from the School for the Deaf, the community of Devils Lake, and on the fiscal impact of the options.

**It was moved by Representative Skarphol, seconded by Representative Klein, and carried on a voice vote to request the Legislative Council staff to prepare a bill draft to provide for a Legislative Council study of the provision of services to deaf and hearing-impaired persons during the 2009-10 interim and provide a general fund appropriation for the use of a consultant.**

In response to a question from Senator Robinson, Mr. Fogelson said the School for the Deaf is including the renovation of the school's Vocational and Trades Building in its optional budget request for the 2009-11 biennium at a cost of \$1.6 million. He said the school has also included optional requests for the demolition of the former medical building, to provide additional outreach services, and for the development of a facility plan.

**It was moved by Representative Hawken, seconded by Senator Potter, and carried on a roll call vote to ask the Legislative Council chairman to encourage the Department of Public Instruction, with input from local school districts, parents, and other stakeholders of the School for the Deaf, to review the options under consideration for the school, including collaboration with other states,**

and develop a plan for presentation to the 2009 Legislative Assembly. Representatives Svedjan, Delmore, Hawken, Kelsch, Klein, Martinson, Schneider, Skarphol, Wall, and Williams and Senators Holmberg, Krebsbach, Lindaas, Oehlke, Potter, and Robinson voted "aye." No negative votes were cast.

Representative Kelsch suggested committee members review the School for the Deaf assessment document prepared by the Department of Public Instruction. Chairman Svedjan asked committee members to review the assessment document and be prepared to discuss it at the next meeting.

### HIGHER EDUCATION STUDY

The Legislative Council staff presented a memorandum entitled [History of Higher Education Roundtable Recommendations, Higher Education Committee-Recommended Legislation, and University System Accountability Measures](#). The memorandum provides information on the history of the Higher Education Roundtable, previous interim Higher Education Committee recommendations, and North Dakota University System accountability measures.

The Legislative Council staff said the Higher Education Roundtable first met during the 1999-2000 interim and has met at least once per interim since first convening. As a result of previous roundtable meetings, the 2005-06 interim Higher Education Committee recommended legislation to the 2007 Legislative Assembly to continue the University System continuing appropriation for special revenue funds, continue the unspent general fund appropriation carryover authority of the University System, and to continue the requirement that the University System budget request and appropriation be in block grant format.

The Legislative Council staff said the University System is required to submit an annual performance and accountability report pursuant to North Dakota Century Code Section 15-10-14.2. Specific reporting requirements were provided in a legislative intent section of 2007 House Bill No. 1003. The intent requires the report to address specific items in the areas of education excellence, economic development, student access, student affordability, and financial operations.

The Legislative Council staff presented a memorandum entitled [Higher Education Student Completion Incentive](#). The memorandum provides information regarding the estimated costs of an incentive program to encourage students to complete a college program in a certain period of time. The Legislative Council staff said the estimated annual cost of the program would be \$21.9 million.

Mr. Franklin Michael, President, North Dakota Student Association, presented information regarding the association. He said the North Dakota Student Association is composed of student leaders from across the state that meet to discuss issues impacting higher education. He said some areas reviewed by

the association include tuition, fees, campus safety, and faculty salaries.

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

In response to a question from Senator Potter, Mr. Michael said improvements have been made to the ConnectND system to allow for more efficient use of the system.

Representative Klein suggested the committee receive information from the North Dakota Student Association regarding the student perspective of the proposed higher education student completion incentive. Chairman Svedjan asked Mr. Michael to provide the information to the committee.

In response to a question from Senator Krebsbach, Mr. Michael said retaining qualified faculty is important to keep a high quality of education. He said improved salaries and internal promotions can be used as tools for the retention of qualified faculty.

Ms. Elaine Metcalfe, Director of TRIO Programs, University of North Dakota, provided information regarding services for disadvantaged students. She said the TRIO Programs are used to increase the retention and completion rates of disadvantaged students.

Ms. Mary Fredricks, TRIO Student Support Advisor, University of North Dakota, said participation in college by low-income North Dakota students declined by 17.1 percent between 1999 and 2006. She said the implementation of a permanent P-16 committee could improve student preparation for postsecondary education.

Dr. Patricia Moulton, Assistant Professor, University of North Dakota School of Medicine and Health Sciences, provided information regarding the supply and demand of nurses in the state. She said there is currently a minor shortage of registered nurses in the state but supply is expected to meet demand by 2009. She said the future supply of nurses is expected to increase due to larger enrollments in nursing education programs. She said concern exists regarding the limited availability of nurses in rural areas of the state.

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

In response to a question from Representative Svedjan, Dr. Moulton said increased enrollment in nursing programs is a result of the increased demand for nurses in the state.

Dr. Chandice Y. Covington, Dean, University of North Dakota College of Nursing, presented information regarding issues in nursing education at the University of North Dakota. She said the cost of nursing education and related facilities, clinical site competition, and new programs to meet state needs are affecting nursing education.

In response to a question from Representative Wall, Dr. Covington said the limited number of clinical education opportunities is posing a challenge for the school. She said students from other states are coming to North Dakota for clinical education.

In response to a question from Representative Klein, Dr. Covington said changes to the current law would be needed to limit the number of students from out of state who complete clinical education in North Dakota.

Mr. James J. Hirsch, Director, Workforce Development Division, Department of Commerce, provided information regarding the connection between higher education and workforce development. He said the North Dakota Talent Initiative is being used to develop a comprehensive plan for workforce training. He said goals of the initiative include increasing the quantity and quality of the workforce and reducing unemployment rates in areas that are above the state average.

In response to a question from Senator Robinson, Mr. Hirsch said workforce demands have led to competition between states for workers. He said wages are an important issue in attracting workers to the state.

The committee recessed at 4:30 p.m. and reconvened at 8:30 a.m. on Wednesday, September 10, 2008.

**HIGHER EDUCATION STUDY**

Mr. William G. Goetz, Chancellor, North Dakota University System, presented information regarding proposed objectives for the State Board of Higher Education. He said objectives have been identified in the areas of student preparation, workforce development, increased opportunities, future planning, a focused vision, and sustaining the board's vision.

**Higher Education Finance**

Chairman Svedjan called on Mr. Dennis Jones, President, National Center for Higher Education Management Systems, to review higher education finance policy.

Mr. Jones said criteria for developing a state higher education funding model include sustaining the viability of all North Dakota University System institutions, enhancing the collaboration and transparency of decisionmaking, and reinforcing the focus on the system of institutions. He recommended the state higher education finance model consist of base funding, investment funding, noncapital asset maintenance, incentive funding, and new capital funds.

Mr. Jones said base funding should be used for ongoing expenses and may include annual increases based on the higher education cost adjustment calculation. He said the state share of base funding may vary depending on the type of institution. He said special reviews of base funding may be needed for smaller institutions.

Mr. Jones said higher education funding would increase by \$12,025,000 annually if the higher education cost adjustment calculation were applied to 2008-09 base funding levels. Of this amount, he said, the state share would be \$7,604,000 based on the following schedule:

Type of Institution	Percentage of Base Funding Increases Provided by State Funds
Research	60%
Comprehensive	65%
Four-year	70%
Two-year	75%

Mr. Jones said investment funds would be used for the creation of new educational programs, including online programs, learning centers, and additional student services capacity. He said two-year programs could also be offered at four-year institutions. He said proposed initiatives for investment funding should be prioritized by the University System and approved individually by the Legislative Assembly. He said once an investment funding proposal is approved, the funding should become part of the base funding amount for the institution. He said the Higher Education Roundtable could be used to discuss proposed initiatives before the University System submits its budget request.

Mr. Jones presented the following table detailing the funds that would be required annually if investment funding were based on a percentage of the 2008-09 higher education funding:

.5%	\$9,147,000
1.0%	\$18,293,000
1.5%	\$27,440,000

In response to a question from Representative Svedjan, Mr. Jones said consideration should be given to funding for emerging workforce needs. He said a funding pool should be available for institutions to access to rapidly respond to employer needs.

In response to a question from Representative Skarphol, Mr. Jones said funding for emerging workforce needs would be classified as investment funding.

In response to a question from Representative Martinson, Mr. Jones said funding for centers of excellence would be considered investment funds.

In response to a question from Representative Skarphol, Mr. Jones said it is important to have immediate access to funds for emerging workforce needs. He said a lengthy approval process could cause a delay in the response to workforce needs.

Representative Hawken said trust needs to be placed in the University System to determine the proper distribution of funds.

Senator Potter expressed concern with funds that are unable to be continued to a future budget period. He said losing funds if they are not used by the end of a biennium could cause unwise spending.

In response to a question from Representative Martinson, Dr. Michel Hillman, Vice Chancellor for Academic and Student Affairs, North Dakota University System, said funding for emerging workforce needs would primarily be used for programs that are less than 16 credit-hours in length.



Representative Skarphol suggested the committee receive information regarding the future costs of using the funding model proposed by Mr. Jones.

Mr. Jones said institutions need adequate funding to maintain noncapital assets. As part of this, he said, campuses need the ability to retain highly qualified faculty. He said approaches to maintaining noncapital assets include peer-based equity funding and a competitiveness pool. He said funds received by an institution from a competitiveness pool should become part of its base funding amount for the next budget request.

In response to a question from Senator Krebsbach, Mr. Jones said it may be important to monitor the reasons faculty resign from the University System. He said a determination needs to be made whether faculty are leaving due to lower salaries or a different reason.

Mr. Jones provided the following schedule detailing the funds that would be required annually if noncapital asset maintenance was based on a percentage of total full-time faculty compensation during the 2008-09 academic year:

	General Fund and Tuition	General Fund, Tuition, Grants, and Contracts
1%	\$3,000,000	\$3,600,000
3%	\$9,000,000	\$10,800,000

Mr. Jones said incentive funding should be used to reward institutions that accomplish state priorities. He said a separate pool of funds could be used for incentive funding and institutions would only receive funds for meeting clearly specified criteria. He said incentive funding should not become a part of an institution's future base funding.

Mr. Jones presented the following schedule detailing the funds that would be required annually if incentive funding was based on a percentage of the 2008-09 state higher education funding:

1%	\$18,934,000
2%	\$37,868,000

In response to a question from Senator Potter, Mr. Jones said the quality of an academic program is determined largely by faculty. He said retention and completion rates may be improved through increased student support services.

Mr. Jones said a priority list for new capital projects should be created by the State Board of Higher Education. He said the Legislative Assembly should then review the projects and approve each one individually. He said a formula should be developed for funding the maintenance of existing capital assets. He said institutions should report annually on the use of funds provided for maintenance.

Mr. Jones presented the following schedule detailing the funds that would be required annually if capital asset maintenance funding was based on a percentage of current University System capital asset replacement costs:

2%	\$29,265,000
2.5%	\$36,581,000

In response to a question from Representative Skarphol, Mr. Allen H. Knudson, Legislative Budget Analyst and Auditor, Legislative Council, said the 2007-09 biennium general fund appropriation for higher education is \$468 million.

Mr. Jones said the total increase in state funding for higher education under the proposed finance model is \$80.8 million annually. He provided the following schedule detailing the increase of funding from the 2008-09 funding level:

Funding Component	Funding Increase
Operating base	\$7,604,000
Investment funds	18,293,000
Maintenance of noncapital assets	7,200,000 <sup>1</sup>
Incentive funding	18,934,000 <sup>2</sup>
Capital renewal funding	29,265,000 <sup>3</sup>
Total annual increase	\$80,756,000

<sup>1</sup>Based on a calculation of 2 percent of full-time faculty compensation.  
<sup>2</sup>Based on a calculation of 1 percent of state appropriations.  
<sup>3</sup>Based on a calculation of 2 percent of replacement costs.

Vice Chairman Krebsbach asked the Legislative Council staff to provide information at the next meeting regarding 2007-09 biennium higher education funding, including funding provided from the general fund and from tuition revenue.

**It was moved by Representative Skarphol, seconded by Senator Robinson, and carried on a voice vote that the Legislative Council staff work with the University System to present the 2009-11 University System budget request using the proposed funding model and to provide a comparison to amounts identified by Mr. Jones.**

**Higher Education Accountability Measures**

Mr. Jones said the committee should consider aligning the higher education accountability measures with the statement of goals developed by the committee. He suggested the following measures be added:

Education attainment	Proportion of population aged 25 to 34 with an associate's degree or higher  Proportion of recent high school graduates placed into at least one remedial course upon entering college  Number of recent high school graduates who enter college the following fall--benchmarked against highest-performing state  First-time freshmen as a proportion of population aged 18 to 34 who have completed high school but who have not attended college--benchmarked against highest-performing state
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	<p>Proportion of first-time freshmen who return to college the following fall--benchmarked against best-performing state</p> <p>Proportion of first-time freshmen who graduate within 150 percent of program length--benchmarked against best-performing state</p> <p>Number of certificates, associate's degrees, and baccalaureate degrees awarded relative to the 18-year-old population six years earlier--benchmarked against best-performing state</p>
Economic development	<p>Number of occupations requiring a college degrees for which demand exceeds supply</p> <p>Dollar amount of research funding received from sources external to the university (excluding the state)--benchmarked against state's prior history</p> <p>Revenues received from licenses and patents--benchmarked against state's prior history</p> <p>Number of jobs (or payroll) created in companies started as a result of university research</p>
Student access	<p>Proportion of the state's population aged 18 to 65 living within a certain number of miles of a physical site at which a variety of two- and four-year programs can be accessed</p>
Student affordability	<p>Average amount of debt incurred by college graduates (associate and baccalaureate)--benchmarked against lowest-performing state</p>
Financial operations	<p>Number of degrees and certificates produced relative to annual state appropriation plus tuition revenue--benchmarked against highest-performing state</p>

Senator Holmberg expressed concern regarding the establishment of new accountability measures. He said it is important to have consistent historical comparisons when reviewing the accountability data.

In response to a question from Representative Martinson, Dr. Hillman said the University System performance and accountability report is used to determine areas of need. He said employer and student satisfaction surveys have been used to make improvements at institutions.

Representative Skarphol said it may be beneficial to reduce the number of accountability measures. He said having too many measures can cause less focus on their importance.

Mr. Goetz said it is important for the Legislative Assembly to know the positive and negative areas of higher education when deciding policy.

The committee recessed for lunch at 12:15 p.m. and reconvened at 1:00 p.m.

**It was moved by Representative Klein, seconded by Senator Robinson, and carried on a voice vote that the Legislative Council staff work with the University System and Mr. Jones to**

**prepare a bill draft that details accountability measures to be used for the University System performance and accountability plan.**

Representative Klein suggested the Legislative Council staff provide the proposed accountability measures to participants of the Higher Education Roundtable.

**Higher Education Governance**

Mr. Jones said the committee may want to consider changing the selection process of members of the State Board of Higher Education. He said it is important to have a selection process that ensures quality members are chosen.

Representative Hawken expressed concern with the current process of selecting members for the State Board of Higher Education. She said more cooperation is needed between the Legislative Assembly and the State Board of Higher Education.

In response to a question from Representative Klein, Mr. Jones said increased pay may not result in more persons being interested in serving on the board. He said it may be more beneficial to increase the authority of the board.

Representative Kelsch suggested the committee receive information regarding the selection of members of the State Board of Higher Education, including the entity responsible for requesting applications from interested persons.

**It was moved by Representative Skarphol, seconded by Senator Robinson, and carried on a voice vote to ask Mr. Jones to provide information to the committee regarding the process of selecting higher education governing board members in other states.**

**It was moved by Senator Holmberg, seconded by Representative Hawken, and carried on a voice vote that the Legislative Council staff prepare a bill draft to extend the continuing appropriation authority of University System special revenue funds, to extend the University System unspent general fund carryover authority, and to continue the requirement that the University System budget request and appropriations be in block grant format.**

**It was moved by Representative Klein, seconded by Representative Kelsch, and carried on a voice vote that the Legislative Council staff prepare a bill draft to continue the higher education study and roundtable process for the 2009-10 interim.**

In response to a question from Senator Oehlke, Mr. Goetz said the University System will continue to research the feasibility of establishing a P-20 education commission.

Vice Chairman Krebsbach asked the Legislative Council staff to provide the committee with a listing of the Higher Education Roundtable participants.

**It was moved by Representative Martinson, seconded by Representative Skarphol, and carried on a voice vote that the Higher Education**

**Committee meeting be adjourned subject to the call of the chair.**

Vice Chairman Krebsbach adjourned the meeting at 2:00 p.m.

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Brady A. Larson  
Fiscal Analyst

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Allen H. Knudson  
Legislative Budget Analyst and Auditor

ATTACH:1