

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

HIGHER EDUCATION COMMITTEE

Thursday, August 20, 2009

Red River Valley Room, Student Center, State College of Science
Wahpeton, North Dakota

Representative Bob Skarphol, Chairman, called the meeting to order at 8:00 a.m.

Members present: Representatives Bob Skarphol, Lois Delmore, Mark A. Dosch, Kathy Hawken, Brenda Heller, Dennis Johnson, Joe Kroeber, Darrell D. Nottestad, Ken Svedjan, Clark Williams; Senators Tim Flakoll, Tony S. Grindberg, Ray Holmberg, Karen K. Krebsbach, Elroy N. Lindaas, Dave Nething, Larry J. Robinson, Tom Seymour

Members absent: Representatives Nancy Johnson, RaeAnn G. Kelsch, Bob Martinson, Kenton Onstad; Senators John M. Andrist, David O'Connell

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

It was moved by Senator Robinson, seconded by Senator Flakoll, and carried on a voice vote that the minutes of the July 17, 2009, meeting be approved as distributed.

Dr. John Richman, President, State College of Science, welcomed the committee to the campus. He thanked the Legislative Assembly for providing funding to limit tuition increases at two-year institutions during the 2009-11 biennium.

HIGHER EDUCATION STUDY

Chairman Skarphol said the meeting would focus on issues affecting two-year institutions in the state. He said representatives from each two-year institution have been asked to provide information regarding unique issues affecting their campuses.

Dr. Richman said two-year institutions in the state are facing several issues, including the decline of high school graduates in the state, the need for career and technical education programs in larger cities, the difficulty of providing training in certain fields, and the effort required to develop new programming for high-growth occupations. He said two-year institutions are addressing these issues by developing greater collaboration with other institutions and increasing the flexibility of program offerings to meet the needs of students.

Dr. Richman said the core functions and fundamental purposes of two-year institutions in the state include:

- Providing the first two years of a four-year degree.
- Providing certificates or degrees to students wanting to enter the workforce with less than a four-year degree.

- Making higher education more accessible and affordable throughout the state.
- Providing opportunities and special support, including remedial and developmental learning activities to assure success for those who would not otherwise pursue a college degree.
- Assuming primary responsibility for the delivery of workforce training in designated regions.
- Enhancing the community and regional economic, social, and cultural vitality and improving the quality of place essential to business development.

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

In response to a question from Representative Delmore, Dr. Richman said it is important to have awareness of careers available to students who pursue a two-year degree. He said program availability and potential career salaries are factors affecting a student's decision on higher education.

In response to a question from Representative Svedjan, Dr. Richman said each two-year institution generally has a partnership with a four-year institution. He said the partnership helps determine the objectives of the two-year institution.

Dr. Richman said the majority of students at the State College of Science are North Dakota residents. He said students from 51 counties in the state are enrolled at the school.

In response to a question from Representative Skarphol, Dr. Richman said the location of a two-year institution affects the enrollment of the institution. He said students who attend a two-year institution tend to enroll in the institution they live closest to even if the institution is in a neighboring state.

Dr. Richman said two-year institutions are working to retain students in the state through increased awareness of two-year programs and by offering two-year programs in larger cities in the state. He said the cost of providing programs may affect the ability to offer certain programs in multiple locations.

Dr. Richman provided information to the committee regarding efforts to address workforce needs in the state. He said workforce training was provided to 642 businesses and 2,725 employees in the southeast region of North Dakota through the TrainND program.

In response to a question from Representative Skarphol, Dr. Richman said the State College of

Science diesel technology program is near full capacity. He said the demand for workers in diesel technology exceeds the number of students completing the program.

Representative Hawken said the location of an open position may affect the ability of an employer to fill the position.

In response to a question from Representative Skarphol, Dr. Richman said he would provide the committee with information at a later meeting regarding the estimated cost of expanding the State College of Science diesel technology program.

In response to a question from Senator Robinson, Dr. Richman said there are currently 3.1 job opportunities available for each graduate of the State College of Science. He said he would provide the committee with information regarding program enrollment and capacity.

In response to a question from Senator Holmberg, Dr. Richman said the clinical education requirements of nursing education programs have affected the capacity of the programs. He said the lack of available clinical education opportunities limits enrollment in nursing programs.

In response to a question from Senator Holmberg, Dr. Richman said in high-demand occupations, some employers have hired students prior to the student completing an educational program. He said it is important for students to complete their program of study to be fully prepared to enter the workforce.

In response to a question from Senator Flakoll, Dr. Richman said two-year institutions in other parts of the country are experiencing increases in enrollment. He said the increases are partly attributable to unemployment rates that affect the number of adults who enroll in college programs.

In response to a question from Representative Skarphol, Dr. Richman said more part-time students are enrolling in programs than in the past. He said student schedules are a major reason for a student enrolling on a part-time basis.

In response to a question from Representative Skarphol, Dr. Richman said there are different tuition rates charged for classes offered on campus and online. He said tuition for online classes is higher due to technology costs associated with offering the classes.

In response to a question from Senator Robinson, Dr. Richman said over 90 percent of students at the State College of Science receive some form of financial aid.

In response to a question from Senator Nething, Dr. Richman said the State College of Science offers in-state tuition to nonresident students who reside on campus and purchase a dining plan.

In response to a question from Representative Skarphol, Dr. Richman said he would provide the committee with information regarding the number of plumbing program graduates that stay in North Dakota.

Dr. Richman said the State College of Science had a 2009-11 biennium budget shortfall of \$2.6 million. He said 15.5 full-time equivalent positions were eliminated to balance the budget.

In response to a question from Representative Skarphol, Dr. Richman said the office administration program was eliminated due to the budget shortfall. He said enrollment decline affected nine departments with electrical technology affected the most.

In response to a question from Senator Flakoll, Dr. Richman said the college is considering leasing available space to private entities. He said private entities have inquired about leasing space on campus.

In response to a question from Senator Nething, Dr. Richman said programs at the State College of Science may be more appropriate in an academic schedule based on quarters instead of semesters.

Senator Grindberg said two-year institutions may need to consider the costs of programs when developing future operating plans.

In response to a question from Representative Delmore, Dr. Richman said there are an increasing number of nontraditional students enrolling in college programs. He said it is important to understand the needs of nontraditional students and to recognize that learning can take place in several different forms.

Dr. Richman said the State College of Science provided 635 tuition waivers during the 2007-08 academic year. He said the total value of the waivers was \$607,818.

Dr. Richman said future issues affecting the State College of Science include:

- Increased program partnerships with private entities.
- Changes to instructional technology.
- Modification of class schedules.
- Utilization of existing campus space.
- Accommodation of adult programming.
- Renovation of facilities.
- Making career and technical education programs more accessible.

Dr. Mike Bower, President, Lake Region State College, presented information to the committee regarding issues affecting Lake Region State College. He said each two-year institution has a unique set of challenges that it must face. He said it is important to retain students in the region following the completion of a program.

Dr. Bower said Lake Region State College has entered into a program partnership with the University of North Dakota for students who are not eligible to enroll at the University of North Dakota but meet admissions criteria at Lake Region State College. He said students in the Launch Program are allowed to live on the campus of the University of North Dakota but take classes from Lake Region State College. He said students who successfully complete 24 credits are allowed to transfer to the University of North Dakota.

Dr. Bower said 153 tuition waivers were provided to students at Lake Region State College during the 2007-08 academic year. He said the value of the waivers was \$226,706. A copy of the information presented by Dr. Bower is on file in the Legislative Council office.

In response to a question from Senator Robinson, Dr. Bower said approximately 30 students are enrolled in the Launch Program. He said the program has two staff positions and three teachers.

In response to a question from Representative D. Johnson, Dr. Bower said Lake Region State College has an agreement with the cities of Grand Forks and Fargo for the training of peace officers. He said the cities provide the staff for training and the college provides a director to supervise the training.

In response to a question from Representative Nottestad, Dr. Bower said students enrolled in the Launch Program are considered students of Lake Region State College and included as part of the college's enrollment.

In response to a question from Senator Flakoll, Dr. Bower said the University of North Dakota charges Lake Region State College for the costs of educating and housing students in the Launch Program.

In response to a question from Representative Hawken, Dr. Bower said it is important for two- and four-year institutions to work collaboratively. He said the Launch Program will help retain students who might otherwise seek education outside of the state.

Dr. Larry Skogen, President, Bismarck State College, presented information regarding issues affecting Bismarck State College. He said the college is working collaboratively with other higher education institutions which has resulted in more than 20 education programs being offered at various locations in the state. He said there are 293 high school students enrolled in dual-credit classes through Bismarck State College.

Dr. Skogen said Bismarck State College is working to address regional workforce needs through energy technology programs, welding programs, mechanical maintenance technology programs, instrumentation and control technology programs, and apprenticeship training programs. He said the college is addressing access needs of students by offering certain programs at various locations across the state.

Dr. Skogen said Bismarck State College provided a total of \$162,730 of tuition waivers during fiscal year 2008 which was 1.5 percent of total tuition revenue. He said certain waivers are mandated by statute and State Board of Higher Education policy. A copy of the information presented by Dr. Skogen is on file in the Legislative Council office.

In response to a question from Representative Skarphol, Dr. Skogen said most community colleges in the nation receive funding from local communities. He said a large portion of funding for most community colleges is provided by state and local sources rather than by students.

In response to a question from Representative Williams, Dr. Skogen said Bismarck State College has career counselors that also serve as academic counselors. He said job fairs are also held to link students to available job opportunities.

In response to a question from Representative Skarphol, Dr. Skogen said more part-time students are now enrolling at the college than in the past.

In response to a question from Representative Svedjan, Dr. Skogen said in addition to statutory provisions and State Board of Higher Education policy, institution policy is also used in determining the amount of tuition waivers granted to students. He said Bismarck State College offers fewer tuition waivers than most other institutions.

In response to a question from Representative Delmore, Dr. Skogen said Bismarck area high schools offer high school classes on campus at the Technical Center. He said the high schools provide transportation for students taking courses on campus.

In response to a question from Representative D. Johnson, Dr. Skogen said students completing the power plant technology program may have difficulty finding a job in the state. He said students completing the process plant technology program may be more successful in obtaining in-state employment.

Ms. Debra Anderson, Director of Public Affairs and Marketing, North Dakota University System, presented information to the committee regarding the use of an \$800,000 appropriation provided by the 2009 Legislative Assembly for increasing the awareness of two-year institutions and related careers. She said representatives of the two-year institutions worked with the University System office to develop a request for proposal for the community college awareness initiative. She said based on the request for proposal, Odney Advertising was selected to work with the University System to develop the initiative. She said a marketing strategy will be developed for the initiative based on research conducted to assess current public perceptions of two-year institutions and careers. A copy of the information presented by Ms. Anderson is on file in the Legislative Council office.

In response to a question from Representative Delmore, Ms. Anderson said research needs to be conducted to determine which areas of the initiative to address. She said most of the funding will not be used until the priority areas are determined.

Senator Nething said career mentoring in elementary and secondary schools can be used to promote two-year institutions and careers. He said it is important to link elementary and secondary education to postsecondary education.

Representative Hawken suggested the University System include the Department of Career and Technical Education in discussions of increasing two-year institution awareness.

Senator Flakoll suggested the University System review the public perception of two-year institutions in other countries.

Chairman Skarphol asked Ms. Anderson to provide a report to the committee in October 2009 regarding an update on the use of the \$800,000 appropriation for increasing the awareness of two-year institutions and careers.

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

Dr. Ray Nadolny, President, Williston State College, presented information regarding issues affecting Williston State College. He said the campus is facing challenges regarding the maintenance of infrastructure on campus. He said improvements to facilities are imperative to increase student enrollment.

Dr. Nadolny said Williston State College has a headcount enrollment of 850 students. He said the majority of students are taking classes either online or through dual-credit programs. He said there are 267 students on campus. A copy of the information presented by Dr. Nadolny is on file in the Legislative Council office.

In response to a question from Senator Flakoll, Dr. Nadolny said approval was received from the State Board of Higher Education to proceed with the career and technical education building project.

Dr. Ken Grosz, Dean, Dakota College at Bottineau, presented information to the committee regarding issues affecting the campus. He said the college is working to increase access by offering more programs online, sharing resources with other institutions, providing dual-credit programs for high school students, and providing an open admissions policy.

Dr. Grosz said Dakota College at Bottineau is working to address student affordability through a flat rate tuition structure for students who take between 12 and 24 credits. He said every student from Bottineau County that attends the college also receives a \$1,000 scholarship.

Dr. Grosz said Dakota College at Bottineau provided 42 tuition waivers totaling \$49,147 during the 2007-08 academic year. A copy of the information presented by Dr. Grosz is on file in the Legislative Council office.

In response to a question from Representative Skarphol, Dr. Grosz said the high cost of college courses may affect the number of high school students taking dual-credit classes. He said to increase enrollment in dual-credit classes, the cost per credit-hour for a dual-credit class is \$107 compared to the regular college course rate of \$128 per credit-hour.

Mr. William G. Goetz, Chancellor, North Dakota University System, provided information to the committee regarding the feasibility of offering two-year programs at four-year institutions. He said it is important to recognize the cost differences between two- and four-year programs. He said the concept of higher education centers should be explored to improve access to programs in various areas of the state. A copy of the information presented by Mr. Goetz is on file in the Legislative Council office.

In response to a question from Representative Skarphol, Mr. Goetz said the role of two-year institutions also includes offering adult education courses.

Representative Hawken expressed concern regarding the Lake Region State College Launch Program at the University of North Dakota. She said the viability of Lake Region State College may become an issue if fewer students attend classes on the Lake Region State College campus. Dr. Bower said the Launch Program helps retain students who would otherwise leave the state if they were not allowed to take classes on the campus of the University of North Dakota. He said some federal funding is also available to offset the costs of the program.

Dr. Richman said the State College of Science has a Pathway Program at North Dakota State University for students who do not meet North Dakota State University admissions requirements. He said the program allows students to take classes through the State College of Science on the campus of North Dakota State University. He said 40 percent of program participants eventually continue their education as a student of North Dakota State University.

In response to a question from Senator Flakoll, Dr. Richman said developmental education courses do not apply to the required credits to receive a degree.

In response to a question from Representative Delmore, Dr. Richman said there are approximately 50 students enrolled in the Pathway Program. He said the students live on the campus of North Dakota State University.

In response to a question from Representative Dosch, Mr. Goetz said the role of two-year institutions changes with the economy. He said the State Board of Higher Education is reviewing campus missions while allowing flexibility at each institution.

In response to a question from Representative Svedjan, Mr. Goetz said a review of the higher education finance plan may be needed due to differences in program costs at two-year institutions. He said it may be appropriate to also review higher education capital projects funding and deferred maintenance funding.

Representative Skarphol said the committee may need to review past recommendations of the Higher Education Roundtable to determine how closely the recommendations were followed and if any changes are needed.

Representative Williams suggested the committee receive information regarding previous higher education funding methods.

Chairman Skarphol asked the University System to provide information to the committee regarding a consultant's recent recommendations for improving governance of the University System.

Senator Nething said it is important to work with the private sector when developing changes for higher

education. He suggested the private sector be included if the committee reviews Higher Education Roundtable outcomes.

Representative Skarphol said the private sector has provided significant contributions to higher education through investments in specialized programs.

Chairman Skarphol said the next meeting of the Higher Education Committee will be September 23, 2009, in Bismarck.

Chairman Skarphol adjourned the meeting at 2:30 p.m.

Brady A. Larson
Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:1