

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

HIGHER EDUCATION COMMITTEE

Monday, March 25, 2002

Prairie Room, Student Union, Bismarck State College

1500 Edwards Avenue

Bismarck, North Dakota

Senator Dave Nething, Chairman, called the meeting to order at 9:00 a.m. on Monday, March 25, 2002, at the Student Union, Bismarck State College, Bismarck.

Members present: Senators Dave Nething, Linda Christenson, Tim Flakoll, Ed Kringstad, Elroy N. Lindaas, Rich Wardner; Representatives Ole Aarsvold, Rachael Disrud, Eliot Glassheim, Nancy Johnson, Myron Koppang, Bob Martinson, Ralph Metcalf, Janet Wentz

Members absent: Senators Tony Grindberg, Ray Holmberg, Ken Solberg; Representatives Michael Grosz, Pam Gulleason, Roxanne Jensen, Bill Pietsch, Lonny Winrich

Others present: Audrey B. Cleary, State Representative, Bismarck

See attached appendix for additional persons present

Chairman Nething said without objection the minutes of the March 4-5, 2002, meeting were approved as distributed.

BISMARCK STATE COLLEGE BUDGET TOUR

Dr. Donna Thigpen, President, Bismarck State College, welcomed the committee to the campus of Bismarck State College. Dr. Thigpen said Bismarck State College is the region's comprehensive community college that is committed to maintaining a proactive learning environment and supporting economic growth and development.

The committee toured the campus of Bismarck State College, including the Jack Science Center, the Tom and Frances Leach Music Center, Schafer Hall, and the Vocational Technical Center.

In response to a question regarding the Tom and Frances Leach Music Center, Mr. Dave Clark, Vice President of Operations and Corporate and Continuing Education, Bismarck State College, said the 1999 Legislative Assembly authorized the construction of the Tom and Frances Leach Music Center. The total cost of the facility was \$750,000.

In response to a question regarding Schafer Hall, Mr. Clark said the 2001 Legislative Assembly provided Bismarck State College a \$596,000 general

fund appropriation for renovation of Schafer Hall. He said the college anticipates completing the renovation of the second floor of Schafer Hall for an estimated cost of \$330,000, and therefore the college will be seeking approval from the Budget Section to increase the appropriation for renovation of the Schafer Hall by \$104,000, from \$596,000 to \$700,000, to use \$65,000 of asbestos lawsuit settlement funds and \$39,000 from the college's capital asset appropriation to complete renovation of both the second and third floors of Schafer Hall.

In response to a question regarding the Vocational Technical Center, Mr. Clark said the facility was constructed in 1974 in a collaborative effort between Bismarck State College and the Bismarck Public School District. He said the lease entered into between the college and the school district allows the school district to use the facility until 2009.

BISMARCK STATE COLLEGE

Ms. Kimberly Klein, student, provided comments on Bismarck State College. Ms. Klein said she decided to attend Bismarck State College because of the cost and the quality of education offered by the institution. She said she is a member of the college's Board of Governors and is enjoying her experience at Bismarck State College.

Mr. Clark reviewed information regarding the status of the college's budget and capital improvements for the 2001-03 biennium, the college's future capital improvement needs, and enrollment. The information is included in the committee's tour packet, a copy of which is on file in the Legislative Council office. He said Bismarck State College was allocated \$560,000 from the equity and special needs pool appropriated to the University System, of which \$420,000 was for equity based on the University System long-term financing plan and resource allocation model and \$140,000 was for a campus initiative. He said the college's tuition revenue collections for the 2001-03 biennium are on track with estimates and the college's tuition revenue collections for the first year of the biennium include approximately \$1 million of revenue from the college's on-line energy programs.

Mr. Clark said the 2001 Legislative Assembly provided the college a \$596,000 general fund appropriation for renovation of Schafer Hall. He said the college will be seeking approval from the Budget Section to increase the appropriation for renovation of Schafer Hall by \$104,000, from \$596,000 to \$700,000, to complete renovation of both the second and third floors of Schafer Hall. He said the college's capital improvements for the 2001-03 biennium also included the conversion of the student apartment facility into office space for the college's collaborative education programs.

Mr. Clark said Bismarck State College's first priority for future capital improvement needs is the construction of a Career and Technology Institute consisting of a workforce training center for multipurpose training and business incubation, a higher education center for collaborative education programs, and a national energy center for the college's energy programs. The estimated cost of the facility is \$8.3 million, of which \$1.5 million would be requested from the state's general fund and \$6.8 million would be from federal and private funds. He said the college's second priority for future capital improvement needs is the renovation and expansion of the Vocational Technical Center for an estimated cost of \$7.8 million to \$10.3 million. He said the renovation and expansion project would be funded from the state general fund and special funds from the Bismarck Public School District and the city of Bismarck.

In response to a question from Senator Nething regarding the proposed Career and Technology Institute, Mr. Clark said the proposed Career and Technology Institute would be constructed east of the college's Student Union.

Mr. Clark said Bismarck State College's headcount enrollment for the fall 2001 semester was 3,044, an increase of 32 percent from the college's enrollment in the fall of 1995. He said the college's full-time equivalent enrollment for the fall 2001 semester was 2,320, an increase of 29 percent from the college's enrollment in the fall of 1995. He said the fall 2001 enrollment figures do not include 739 students served on the college's campus through collaborative programs. He said the college's on-line enrollment for the spring 2002 semester was 699, an increase of 212 from the fall 2001 semester on-line enrollment of 487. He said the spring 2002 semester on-line enrollment includes 200 students in the college's energy programs.

In response to a question from Representative Glassheim regarding the college's on-line enrollment, Mr. Clark said the college's spring 2002 semester on-line enrollment of 699 is included in the college's headcount and full-time equivalent enrollments for the spring 2002 semester.

In response to a question from Representative Aarsvold regarding students enrolled in Interactive

Video Network (IVN) classes, Mr. Clark said students enrolled in IVN classes offered and taught by Bismarck State College are included in the college's enrollment figures.

Dr. Thigpen provided information regarding Bismarck State College's long-term enrollment plans, tuition rates, and the University System long-term financing plan and resource allocation model. The information is included in the committee's tour packet. She said the college's long-term enrollment plans include the continued development of new programs based on industry need and the continued growth of on-line program enrollments. She said she is pleased with the flexibility granted to higher education institutions that allows the institutions to set the tuition rates and to generate additional tuition revenue. She said the college intends to continue college employee, cultural diversity, National Guard, and other statutory tuition waivers. However, the college does not anticipate expanding the tuition waiver option. She said the college supports the University System long-term financing plan and the resource allocation model. She said the long-term financing plan addresses costs to continue through parity or inflation adjustments and equity differentials through adjustments based on peer comparator institutions. She said at the present time the college is funded at approximately 73 percent of its peer comparator institutions.

In response to a question from Senator Nething, Dr. Thigpen said the college's per credit tuition model appears to be functioning adequately.

Dr. Thigpen, Dr. Drake Carter, Dean of Instructional Services, and Mr. Michael Lenhardt, Dean of Student Services, Bismarck State College, provided information regarding the college's accomplishments regarding the recommendations of the 1999-2000 interim Higher Education Committee report in the areas of economic development and educational excellence. The information is included in the committee's tour packet. Dr. Thigpen said in regard to economic development, the college has received three grants from the National Science Foundation for development of an energy program curriculum. Dr. Carter said in regard to educational excellence, the college's Phoenix program that prepares women for nontraditional high-wage careers was a finalist for the National Bellwether Award. Mr. Lenhardt said in regard to educational excellence, Mr. Pat Jund, Director of Student Life, Bismarck State College, was awarded the National Advisor of the Year Award from the American Student Association of Community Colleges (ASACC), and Dr. Thigpen was awarded the National President of the Year Award from the ASACC.

The committee recessed for lunch at 12:10 p.m. and reconvened at 1:00 p.m.

Ms. Carla Braun Hixson, Dean of Corporate and Continuing Education, Bismarck State College, provided information regarding Bismarck State

College's Division of Corporate and Continuing Education. The information is included in the committee's tour packet. Ms. Hixson said the college's Division of Corporate and Continuing Education is responsible for administering the college's enrichment program, coordinating conferences and seminars, and providing workforce training to the southwest region of the state. She said the division serves approximately 2,000 individuals per year through the enrichment program's personal and professional enhancement classes and the division coordinates over 10 conferences per year. She said the division employs four workforce training managers for administering workforce training. Two individuals are assigned to the Bismarck-Mandan area, one individual is assigned to the Dickinson area, and one individual is assigned to the rural areas of the region. She said for fiscal year 2001, the division provided workforce training to 311 businesses and 4,172 employees, received revenue of \$745,053, and experienced expenditures of \$774,838.

Ms. Cheryl Templeton, Workforce Training Manager, Division of Corporate and Continuing Education, Bismarck State College, provided information regarding workforce training activities in the Dickinson area. The information is included in the committee's tour packet. Ms. Templeton said the division has established workforce training partnerships with Dickinson State University, the Dickinson community, and Dickinson public schools.

Ms. Carrie Wagner, Workforce Training Manager, Division of Corporate and Continuing Education, Bismarck State College, provided information regarding workforce training delivery strategies. The information is included in the committee's tour packet. Ms. Wagner said the division can deliver workforce training activities on the campuses of Bismarck State College and Dickinson State University and at local schools, community centers, business locations, and through on-line classes.

Ms. Janet Noah and Ms. Lori Schlosser, Workforce Training Managers, Division of Corporate and Continuing Education, Bismarck State College, provided information regarding types of workforce training. The information is included in the committee's tour packet. Ms. Noah and Ms. Schlosser said workforce training includes computer training, organizational development, technical training, apprenticeships, and employee development.

Mr. Mike LaLonde, Basin Electric employee and member of the local workforce training board, provided information regarding workforce training provided by the Division of Corporate and Continuing Education. Mr. LaLonde said Basin Electric receives computer training, organizational development, and apprenticeship assistance from the division and the quality and the responsiveness of the training is excellent.

Mr. Joe Rothschilder, General Manager, Steffes Corporation, Dickinson, provided information regarding workforce training provided by the Division of Corporate and Continuing Education. Mr. Rothschilder said the Steffes Corporation receives customized training from the division in technical areas such as welding, electronics, and blueprint reading. He said he is also a member of the Dickinson Manufacturers Roundtable and the division is very responsive to the needs of the roundtable.

In response to a question from Senator Nething regarding employee training, Mr. Rothschilder said the Steffes Corporation views the first six months of employment as training and budgets approximately \$1,100 per employee for direct training expenses.

Mr. Cal Klewin, Bowman County Development Corporation, provided information regarding workforce training provided by the Division of Corporate and Continuing Education. Mr. Klewin said the Bowman County Development Corporation has utilized Work Force 2000 funds to receive computer training from the division and the corporation will use the division for training in the future.

Mr. Mike Schneider, Kadrmas Lee & Jackson PC employee, provided information regarding workforce training provided by the Division of Corporate and Continuing Education. Mr. Schneider said his employer receives specialized training onsite from the division.

Mr. Lane Huber, Interim Director of Distance Education, Bismarck State College, provided information regarding the college's accomplishments regarding the recommendations of the 1999-2000 interim Higher Education Committee report in the area of flexibility and responsiveness. Mr. Huber said Bismarck State College provides distance education through the IVN, Interactive Television, and on-line classes. He said the college offers an associate of arts degree in criminal justice, associate of applied science degree in power plant technology, process plant technology, and electronic power technology, and various certificates of completion and proficiency programs through on-line classes.

In response to a question from Representative Johnson regarding on-line classes, Mr. Huber said instructors are responsible for developing and implementing the coursework for on-line classes.

In response to a question from Representative Aarsvold regarding on-line classes, Mr. Huber said the college's on-line programs are accredited through the North Central Association of Colleges and Schools.

Mr. Lenhardt provided information regarding the college's accomplishments regarding the recommendations of the 1999-2000 interim Higher Education Committee report in the area of accessible system. The information is included in the committee's tour packet. He said Bismarck State College has established collaborative and cooperative programs with

Williston State College, Minot State University - Bottineau, the University of North Dakota, Dickinson State University, and the Bismarck Public School District.

Mr. Gordy Binek, Vice President of College Advancement, Bismarck State College, and Mr. Clark provided information regarding the college's accomplishments regarding the recommendations of the 1999-2000 interim Higher Education Committee report in the area of funding and rewards. The information is included in the committee's tour packet. Mr. Binek said the Bismarck State College Foundation provides technology grants and student scholarships. He said the foundation is responsible for administration of the Jack Fellowship, an annual \$25,000 award for a Bismarck State College employee to further education, conduct research, or undertake other professional development opportunities. Mr. Clark said the college is in the process of completing the State Board of Higher Education's goal to reallocate 5 percent of internal funds for salary increases over six years.

In response to a question from Senator Nething regarding nonmonetary requests of the 2003 Legislative Assembly, Dr. Thigpen said the college's request would be for continued budgetary flexibility.

OTHER INFORMATION

Representative Martinson requested the North Dakota University System office provide information at the next meeting regarding the status of the \$2 million of funding allocated by the 2001 Legislative Assembly

from the board initiative funding and the equity and special needs pool to the higher education institutions for campus activities.

Chairman Nething said the committee's next scheduled meeting is at Minot State University - Bottineau, Forest Service, North Central Research Extension Center, and Minot State University on Tuesday and Wednesday, April 23-24, 2002.

The committee recessed at 3:00 p.m. to attend an IVN presentation by Dr. Sharon Hart, President, State College of Science, regarding the North Dakota University System long-term financing plan and the resource allocation model.

The committee reconvened at 3:10 p.m. Due to difficulties with the IVN, Chairman Nething decided to reschedule the presentation by Dr. Hart at a later meeting of the committee.

The committee adjourned subject to the call of the chair at 3:40 p.m.

Roxanne Woeste
Fiscal Analyst

Jim W. Smith
Legislative Budget Analyst and Auditor

ATTACH:1