

## NONFINANCIAL HIGHER EDUCATION ACCOUNTABILITY MEASUREMENTS

The following is a summary of accountability measurements from the Higher Education Roundtable report which is not directly related to financial expectations. The memorandum lists general expectations or performance standards for the North Dakota University System to be achieved by implementing the recommendations from the Higher Education Roundtable report and identifies corresponding performance indicators or associated measurements. Attached as an appendix is a summary listing of the recommendations contained in the Higher Education Roundtable report.

The performance indicators would be reported on annually by the North Dakota University System at the University System level. The State Board of Higher Education would be responsible for expanding and refining the accountability measurements when appropriate to evaluate individual institutions. Depending on the nature of the performance indicator and the information presented, trend information may be presented for a 6- to 10-year period.

Expectations (Performance Standards)	Annual Performance Indicators (as included in the Higher Education Roundtable report)
<p><b>Economic Development Connection</b> The North Dakota University System:</p> <ul style="list-style-type: none"> <li>• Respond to the current work force needs of employers.</li>   <li>• Encourage entrepreneurship.</li>   <li>• Use the colleges and universities as a direct source of economic development in all areas of the state.</li> </ul>	<p>Trends in the number and percentage of businesses and employees in the region receiving training. (Duplicate - See also Accessible System)</p> <p>Levels of satisfaction with training events as reflected in information systematically gathered from employers and employees receiving training.</p> <p>Levels and trends in enrollment in entrepreneurship courses and the number of graduates of entrepreneurship programs.</p> <p>Level and trends in percentage of North Dakota University System graduates obtaining employment appropriate to their education in state and out of state.</p> <p>Levels and trends in partnerships and joint ventures between North Dakota University System institutions and the following entities:</p> <ul style="list-style-type: none"> <li>• Business and industry.</li> <li>• Tribal colleges.</li> <li>• Private sector training providers.</li> <li>• Other North Dakota University System institutions.</li> </ul>
<p><b>Education Excellence</b> The North Dakota University System:</p> <ul style="list-style-type: none"> <li>• Ensure students receive a quality education which prepares them to be readily employable, technically skilled, and personally successful.</li>   <li>• Ensure faculty are respected practitioners and students of the future who establish ties between learner outcomes and workplace needs.</li> </ul>	<p>Levels and trends in performance of students on nationally recognized exams in their major fields in comparison with national averages.</p> <p>Levels and trends in licensure pass rates in comparison to other states.</p> <p>Levels and trends in alumni-reported satisfaction with preparation in:</p> <ul style="list-style-type: none"> <li>• Major.</li> <li>• The acquisition of specific basic and higher order skills.</li> <li>• Level, currency, and relevance of computer technology knowledge and abilities in relation to expectations in the marketplace.</li> </ul>

Expectations (Performance Standards)	Annual Performance Indicators (as included in the Higher Education Roundtable report)
<ul style="list-style-type: none"> <li>• Encourage institutions and faculty to constantly seek a high level of program excellence.</li> </ul> <p><b>Flexible and Responsive System</b> The North Dakota University System:</p> <ul style="list-style-type: none"> <li>• Encourage, support, and reward risk-taking, innovation, and change.</li> <li>• Employ a customer or client focus, study and react to present and future needs of learners and business and industry, and tailor learning experiences to the needs of the learner.</li> </ul> <p><b>Accessible System</b> The North Dakota University System:</p> <ul style="list-style-type: none"> <li>• Identify and deliver education and research services throughout the state in numerous ways with a variety of providers.</li> </ul>	<p>Levels and trends in employer-reported satisfaction with preparation of recently hired college graduates.</p> <p>Maintenance of accreditation of programs and institutions by national and regional accrediting bodies and acquisition of additional accreditation when appropriate.</p> <p>Levels and trends in peer review process results for:</p> <ul style="list-style-type: none"> <li>• Grants.</li> <li>• Publications.</li> </ul> <p>Levels and trends in proportion of students achieving goals - Institution meeting the defined needs/goals as expressed by students.</p> <p>Proportion of North Dakota University System decision-makers (deans and higher levels) indicating whether "they can operate more flexibly now than in the past."</p> <p>Total number and trends in full-time, part-time, degree-seeking, and non-degree-seeking students being served.</p> <p>Number and trends regarding individuals, organizations, and agencies served through noncredit activities.</p> <p>Levels of satisfaction with responsiveness as reflected through responses to evaluations and surveys of clients:</p> <ul style="list-style-type: none"> <li>• Graduates and program completers.</li> <li>• Employers.</li> <li>• Business/program advisory councils.</li> <li>• Companies and employees receiving training.</li> <li>• Work force training boards.</li> <li>• Campus presidents' advisory councils.</li> <li>• Public school superintendents.</li> <li>• Economic development professionals.</li> <li>• Other client groups served.</li> </ul> <p>Levels of satisfaction and reasons for noncompletion as reflected in a noncompleters survey.</p> <p>Levels and trends in the proportion of residents of the state who are within a 45-minute drive of a location at which they can receive educational programs from a provider, including providers from outside the immediate region (and would also have access to academic and student support services at the site).</p> <p>Levels and trends in the number of enrollments in distance learning courses by in-state and out-of-state residents.</p> <p>Levels and trends in the number and proportion of enrollments in courses offered in nontraditional ways (i.e., place, time, and format).</p>



<b>Expectations (Performance Standards)</b>	<b>Annual Performance Indicators (as included in the Higher Education Roundtable report)</b>
<ul style="list-style-type: none"> <li>• Support an expanded client base which includes students, business and industry, and all citizens of the state.</li> </ul> <p><b>Sustaining the Vision</b> The North Dakota University System establish a mechanism for sustaining the work and implementing the recommendations from the Higher Education Roundtable report.</p>	<p>Levels and trends in rates of participation of:</p> <ul style="list-style-type: none"> <li>• Recent high school graduates; nontraditional students (typically part time and older than average).</li> <li>• Individuals pursuing graduate degrees.</li> </ul> <p>Trends in the number and percentage of businesses and employees in the region or state receiving training. (Duplicate - See also Economic Development Connection)</p> <p>The extent to which the recommendations of the 2000 roundtable are implemented and the performance as reflected in the accountability measurements is improved:</p> <ul style="list-style-type: none"> <li>• An annual performance and accountability report directly linked to the expectations developed by the roundtable is developed and widely distributed.</li> <li>• An annual Higher Education Roundtable meeting(s) is held and accomplishes the purposes indicated in number one of Sustaining the Vision Recommendation.</li> <li>• A status report on the state of the North Dakota University System is presented to the Legislative Assembly during each legislative session.</li> <li>• The North Dakota University System reports on communications regarding the various recommendations of the roundtable--audiences reached, media used, presenters involved, etc.</li> <li>• A checklist is maintained of action steps required and progress attained in meeting the expectations and accountability measurements agreed upon.</li> </ul>

ATTACH:1

## HIGHER EDUCATION ROUNDTABLE RECOMMENDATIONS

The following is a summary listing of the recommendations contained in the Higher Education Roundtable report by cornerstone.

### ECONOMIC DEVELOPMENT CONNECTION

1. High-potential primary sector business alliances and partnerships should be actively pursued.
2. Planning and working relationships with local and state development organizations should be strengthened.
3. Program offerings and delivery capabilities should be developed to close the gap between the demand for individuals with technical educational knowledge and skills and the number of such graduates available within the state and nation.
4. Educational programs on the topic of entrepreneurship should be offered at every institution within the University System.
5. Institutions should utilize partnering entities to ensure the software programs being used remain current.
6. Partnerships with the tribal colleges should be established to deliver training to the reservations.
7. Opportunities should be developed which take advantage of the underemployed and unemployed work force on the reservations.
8. The development and operation of the technology infrastructure should be viewed as a public utility.
9. Support for the work force training delivery system which was enacted by the 1999 Legislative Assembly should be continued.
10. Entrepreneurial behavior should be encouraged at each level of the University System.
11. The budget process, appropriation process, and audit function should be modified so they are consistent with the direction of the roundtable.
12. Accountability measures must be agreed upon.
13. Technology must be viewed as a key component of the new economy and added to the "four-part economy" proposed in the Vision 2000 report.
14. High-potential research and development opportunities should be identified.
15. Campuses should be encouraged to maximize the potential of the "global" marketplace to the institution, the students, and North Dakota.

### EDUCATION EXCELLENCE

Students and learning:

1. Institutions must be assertive in attracting, recruiting, registering, and retaining quality students.
2. There should be a clear tie between learner outcomes, workplace needs, and the values and attitudes required for living a full and rewarding life.
3. Students should experience the workplace as part of their quality education.
4. Colleges and universities clearly identify course and program learner outcomes; instructors teach those outcomes; and students should be required to demonstrate the outcomes.
5. Students exit programs with skills and attitudes to be lifelong learners.
6. Colleges and universities partner with kindergarten through grade 12 in the development and implementation of education standards.

Faculty and teaching:

1. The North Dakota University System should make teaching in the University System attractive so campuses can employ and retain a faculty of highest quality.
2. Faculty regularly involve employers in determining learner outcomes.
3. Skills, attitudes, and strategies of the entrepreneur should be infused into courses and programs.
4. There should be indicators of quality/excellence for all learning experiences.
5. Faculty members and institutions should move from an accountability system focused on process and input to one focused on ends or outcomes.
6. Faculty members should continue to update their knowledge, skills, and teaching strategies.
7. Institutions and their faculties should be provided with state-of-the-art equipment and technology.
8. Colleges and universities should create a culture of continuous improvement.
9. Continuous improvement strategies should not be limited to instructional programs but include all aspects of university operations.
10. Courses and degree programs should focus on the economic and social needs of North Dakota as well as individual needs.
11. Colleges and universities should utilize information technology to provide easy access for rural populations, nontraditional students,



out-of-state learners, and for lifelong information age learners.

12. The University System and its campuses should maximize opportunities of technology to improve instruction.

Research function:

1. The University System and its faculties should accept the charge to be a critical force in the economic well-being of North Dakota.
2. Research should be allowed to have the potential to create business opportunities for researchers and entrepreneurs.
3. Research grants should be focused on the economic and social needs of North Dakota.
4. Faculty should be strongly encouraged, supported, and rewarded in their pursuit of research grants.
5. Students should gain practical research skills.
6. College and university faculty should serve as lifelong learning role models.

Service obligation:

1. Faculty and institutions should apply their knowledge and expertise to meet the real-world economic and social needs of North Dakota and its people.
2. Institutions should continue to provide high-quality cultural activities to the community.
3. The University System should be attractive and available to nontraditional students and learner outcomes be based on practical employment needs of the student.
4. The University System and campuses should take responsibility to keep academic programs current and to discontinue those programs that are no longer meeting a need.
5. Citizens of North Dakota should be able to view tangible forms of faculty and institution services provided to communities and to the state.
6. Institutions should serve the state by expanding their work force training services to business and industry.

## **FLEXIBLE AND RESPONSIVE SYSTEM**

Culture, policies, and practices of the University System:

1. The State Board of Higher Education, the executive branch, the legislative branch, the business community, and campuses should make conscious efforts to build trusting relationships.
2. The University System and individual campuses should create policies, practices, and a culture that encourages and rewards entrepreneurial thinking.

3. Campus leaders should be given more control over and responsibility for their budgets.
4. Campuses should move from a seat time-based credentialing system to a results-based system of credentialing.
5. The University System should provide training necessary to improve the staff's ability to deliver up-to-date learning.
6. The formula for budget allocation should be changed to a system that encourages and rewards the meeting of the needs for the nontraditional students, businesses, and industries.
7. The University System should not lose focus on the traditional college student.
8. The University System should ensure that any movement toward flexibility and responsiveness be met with an equally strong commitment to quality.

Customer/client/learner focus:

1. The University System through the use of technology should allow individuals to "learn anything, from anywhere, in any way, at any time."
2. The University System should create a "seamless" organization from the perspective of the student.
3. On-campus programs should be customer/learner focused, flexible, and responsive.

University System relationship to the business community:

1. Colleges and universities should identify their customers, customer needs, and delivery systems available to meet the needs.
2. Faculty and staff of the University System should continually update their knowledge, skills, and strategies to meet the needs of their customers/clients.

## **ACCESSIBLE SYSTEM**

1. The State Board of Higher Education should designate or establish learner centers throughout the state to provide educational access to underserved areas.
2. Campuses must develop alternative delivery opportunities that are responsive to the needs of all students.
3. The North Dakota University System must develop and offer programs that are responsive to the needs of the state and are consistent with market trends of the future.
4. Tribal and private colleges should be partners with the North Dakota University System in meeting educational access needs for the state.



5. Communities and the private sector should partner with the North Dakota University System to meet local training and educational needs.
  6. State government should be responsible for ensuring an affordable broadband high-speed Internet access is available to all citizens throughout North Dakota.
  7. The North Dakota University System should partner with kindergarten through grade 12 to ensure that students leave school systems with knowledge and skills necessary to function effectively as college students.
  8. The funding practices should be modified to encourage multicampus collaboration, to recognize the constituents served, to encourage new delivery methods, and to balance funding so student costs remain affordable to North Dakota citizens.
  9. The State Board of Higher Education should review and modify tuition rates to remain competitive in the global marketplace and expand the client base.
  10. The North Dakota University System should modify its administrative information systems and fiscal practices to support the expanding client base and alternative education delivery methods.
  11. The State Board of Higher Education and the campuses should modify their procedures to support the values of the roundtable.
  12. The State Board of Higher Education should recommend a fiscal accountability report that is consistent with the new funding model and the values of the roundtable.
  13. The North Dakota University System should take a leadership role in creating an easily accessible directory of education, research, and other higher education services.
3. The Legislative Assembly should work with the North Dakota University System to reach agreement on the proposed funding mechanism.
  4. The Office of Management and Budget and the Legislative Assembly should revise the budget request process.
  5. The executive and legislative branches should modify the budget and appropriation process.
  6. The State Board of Higher Education should establish revenue structures and rates so that affordability of access to the University System is maintained, the campus abilities to serve students are enhanced, and the utilization of the state's investment is maximized.
  7. The Legislative Assembly should provide lump sum base and strategic appropriations to the State Board of Higher Education and the institutions.
  8. The executive and legislative branches should remove all income that is in addition to the state general fund appropriation from the specific appropriation process and modify processes to provide campuses budgetary flexibility.
  9. The State Board of Higher Education should adopt the recommendations outlined in the Sustaining the Vision cornerstone.
  10. The State Board of Higher Education should develop a consistent set of limited financial reporting measurements that will be used to measure the financial accountability of the campuses.
  11. The Legislative Assembly and the State Auditor's office should revise the audit process.
  12. The State Board of Higher Education should develop procedures which grant flexibility in the use of resources as long as an institution meets or exceeds expectations established by the board.
  13. The State Board of Higher Education and campuses should revise board and institution policies and procedures to reflect the vision of the roundtable.
  14. Campuses should allocate funds for maintenance of physical assets based on priorities established by individual campuses.

### **FUNDING AND REWARDS**

1. The State Board of Higher Education and the chancellor should develop and recommend to the legislature a financing plan to address the gap between current funding levels and resources needed to implement the recommendations of the roundtable, a resource allocation model, and mechanisms to demonstrate both performance and fiscal accountability. The funding plan should reflect a shared funding responsibility among all payers and make allowance for the need for institutions to fund plant asset depreciation.
2. The resource allocation model should be comprised of a base-funding component, an incentive/performance component, and an asset-funding component.

### **SUSTAINING THE VISION**

1. There should be a mechanism established for sustaining the work of the roundtable through an annual roundtable meeting.
2. The University System should take the initiative in arranging roundtable meetings with state agencies and other organizations.

3. The University System should develop or modify communication feedback systems to obtain essential information for monitoring and measuring progress on accountability measures.
4. The State Board of Higher Education should review the University System's current strategic plan (six-year plan) and redefine as necessary to incorporate the recommendations of the roundtable.
5. The University System should provide an annual performance and accountability report.
6. The State Board of Higher Education should provide a status report on higher education in North Dakota to the Legislative Assembly.
7. The State Board of Higher Education and the chancellor's office should develop and implement a plan for communicating the results and recommendations of the roundtable.