

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

HIGHER EDUCATION COMMITTEE

Wednesday, April 23, 2008
Roughrider Room, State Capitol
Bismarck, North Dakota

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

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

Members absent: Representative Kathy Hawken; Senator Dave Nething

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

Representative Merle Boucher, member of the Legislative Council, was also in attendance.

It was moved by Senator Robinson, seconded by Representative Kelsch, and carried on a voice vote that the minutes of the March 10, 2008, meeting be approved as distributed.

HIGHER EDUCATION STUDY

Chairman Svedjan called on Mr. Dennis Jones, President, National Center for Higher Education Management Systems, to facilitate discussion of the higher education policy areas.

Mr. Jones said the discussion of policy areas will focus on identifying goals relating to human capital, workforce development, and economic development. He said future committee meetings will focus on how to achieve the goals, including issues related to finance and institutional missions.

Chairman Svedjan said the goals identified by the committee will be voted on at the committee's next meeting. He said the committee will then consider various means of accomplishing the goals.

Student Completion

Mr. Jones said a possible human capital goal is for the percentage of state residents with a college degree to be in the range of the top five countries in the world. He said issues that may impact this goal include the changing population of the state, demographics, and the education of students from historically disadvantaged groups. He said North Dakota has a high secondary education graduation rate but is below average in the number of students completing a higher education degree.

In response to a question from Senator Holmberg, Mr. Jones said higher education statistics can be impacted by higher education institutions in other

states. He said out-of-state institutions located near the state border can attract students due to geographic reasons.

In response to a question from Representative Delmore, Mr. Jones said it is difficult to gather data on students who begin their education in the state but transfer to an out-of-state institution to complete their education.

In response to a question from Representative Wall, Mr. Jones said there may be a correlation between a state's economy and the number of students completing their education. In good economic times, he said, students may choose a high-paying job that requires little education rather than completing a higher education program.

Representative Kelsch said career counselors in high schools may provide valuable assistance to guide students into appropriate education and career paths. She said a baccalaureate education may not be appropriate for all students.

Mr. Jones said North Dakota has been focusing on its students completing a four-year degree. He said the state may need to place additional efforts into two-year degrees and vocational training.

In response to a question from Representative Skarphol, Mr. Jones said student motivation may be influenced by employers placing a value on education. He said motivation for the completion of higher education can be related to the financial benefits of completing the education.

Senator Oehlke said motivation for students may also include career counseling and peer pressure.

Mr. Jones said it is important to compare high school graduation requirements to the requirements to be prepared for college.

Senator Oehlke said the state should strive to have the most highly educated population in the world.

Representative Kelsch said achievements in elementary and secondary education also affect the student's success in college.

Representative Skarphol suggested the committee receive information on the number of jobs available in the state for the various education attainment levels.

In response to a question from Senator Potter, Mr. Jones said a measurement tool for an educational attainment goal is the percentage of the working age population with an associate's degree or higher. He said due to the different educational programs in other countries, it is difficult to use diploma or certificate programs for comparison purposes.

Representative Svedjan said a goal of the committee may need to relate to the accessibility and affordability of higher education for minority students.

Representative Boucher said a strong increase in the education of minorities is evident on reservations even though statistics may indicate otherwise.

Senator Potter expressed concern with setting a goal specifically relating to the education of minority students. He said the government should focus on providing equal educational opportunities for all students.

In response to a question from Senator Robinson, Mr. Jones said access issues for minority students may be geographic. He said the location of institutions can be a barrier to access for all students in certain areas of the state.

Representative Kelsch said the federal government has created programs that focus on closing gaps in the education levels of minority populations.

Representative Svedjan said the following goals relating to human capital/student completion will be considered by the committee at its next meeting:

1. **Maintain the highest percentage of residents having attained an associate's degree or higher as compared to any country.**
2. **Improve the level of educational attainment for historically disadvantaged populations.**

Student Preparation

Mr. Jones said a possible goal for student preparation is reducing the number of students needing remedial education.

Representative Wall said the committee should address student remediation issues. He said an improvement in communication between higher education and elementary and secondary education is needed.

In response to a question from Senator Holmberg, Dr. Michel Hillman, Vice Chancellor for Academic and Student Affairs, North Dakota University System, said the policies of the State Board of Higher Education require all students to complete the ACT or SAT test prior to attending a state higher education institution. He said some institutions use additional tests for the placement of students in higher education courses. He said he will provide the committee, at its next meeting, information on the use of standardized tests in the admission and placement of students in higher education institutions.

In response to a question from Senator Potter, Mr. Jones said higher education institutions with successful remediation efforts tend to have a strong commitment to student engagement. He said the engagement process allows students to see long-term goals.

Mr. Jones said the goal can be restated as students come to college prepared to succeed in college. He said the number of students in remediation classes can be used as a measure for the

goal. Chairman Svedjan said the following goal will be considered by the committee at its next meeting:

Ensure recent high school graduates are prepared to succeed in college-level courses without the need for remedial education.

Accessibility and Retention

Mr. Jones said a possible goal for accessibility is ensuring all students have access to higher education. He said the accessibility of higher education can be a geographic barrier for certain parts of the state. He said a goal of student retention should also be considered.

Senator Krebsbach said student retention and completion may be viewed as a measurement tool instead of a goal. She said retaining and attracting high quality faculty should be a goal.

Representative Kelsch said geographic location may not be the only major factor in student retention. She said how well a student adjusts to an institution also affects retention.

Mr. Jones said some institutions enroll most of their students from areas located near their campus while other institutions attract students from all areas of the state. He said attention needs to be placed on reviewing the geographic access of institutions as well as the array of programs available at each institution. He said an educational system should provide programs in the locations where they are in demand.

Senator Robinson said funding based on enrollment may not be beneficial for the overall needs of the state. He said increased competition for students can cause students to attend an institution that may not be the best fit for them.

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

Mr. Jones said the goal for accessibility may be to make higher education accessible to students in all parts of the state. He said a measure for the goal is participation rates by county in higher education institutions.

In response to a question from Senator Holmberg, Mr. Jones said the state needs to determine how dependent it should be on other states for education programs. He said reciprocity agreements with other states may be more efficient for providing educational opportunities instead of the state creating additional programs.

Representative Svedjan said new programs should focus on the needs of the area and not duplicate existing efforts.

Mr. Jones said the accessibility goal may include the extent of postsecondary institutions providing an array of programs to the state.

In response to a question from Senator Oehlke, Mr. Jones said a higher education system needs to focus on the overall education needs of the state. He said the expectation of a system is to provide assets where they are needed to allow for better access.

Representative Skarphol said transferring assets between institutions should be easier. He said all assets should be considered part of the system rather than belonging to individual institutions.

Representative Svedjan said the wise use of assets should be a goal. He said the concept of centers providing higher education programs through collaborative efforts should be explored further.

Mr. Jones said although some programs would be difficult to offer in additional areas due to facility requirements, many programs are portable and can be easily offered at additional locations. He said institutions need to recognize the demand for education programs in their region.

In response to a question from Representative Svedjan, Mr. Jones said technology allows programs to be offered in rural areas. He said programs should be offered based on demand.

In response to a question from Representative Svedjan, Mr. Jones said all educational assets of the state, including private and tribal colleges, should be considered as part of the state's goals.

Senator Robinson said sharing resources is beneficial to the institutions involved. He said it is important for institutions to work cooperatively instead of competing for resources. Senator Robinson said the State Board of Higher Education should consider itself as a system governing board.

Chairman Svedjan said the following goal will be considered by the committee at its next meeting:

Ensure appropriate higher education programs are accessible to students in all geographic areas of the state.

Workforce Development

Mr. Jones said the state has a high outmigration rate of students who have completed a higher education program. He said the outmigration is spread broadly across fields of study.

In response to a question from Senator Krebsbach, Mr. Jones said the higher education system has a responsibility to provide technical and skills training for areas in demand.

Senator Potter said the Legislative Assembly does not have the constitutional responsibility to provide workers for jobs in demand. He said a responsibility of the Legislative Assembly is to provide a higher education system for students.

Mr. Jones said the public has a broad definition of postsecondary education. He said the state needs jobs for college graduates to prevent the outmigration of educated individuals. He said many states have focused on economic development for the purpose of providing jobs for highly educated individuals.

In response to a question from Representative Skarphol, Mr. Jones said the state has more graduates than available jobs. He said economic growth can provide additional jobs and encourage immigration.

Senator Robinson said it is important to continue an emphasis on quality. He said it is important to retain quality faculty and staff at institutions.

In response to a question from Representative Boucher, Mr. Jones said an aging population is a concern for North Dakota in the future. He said North Dakota is a low-wage state, which is a factor in the outmigration of college graduates. He said the state needs a strategy to address workforce issues, including its lack of potential workers.

Senator Lindaas suggested increasing teacher pay in the state. He said if the goal is for the state to be No. 1 in education, teacher pay should also reflect the increased demand for quality.

Chairman Svedjan said the following goal will be considered by the committee at its next meeting:

Create additional high-value jobs.

Affordability

Mr. Jones said affordability relates both to students and to taxpayers.

Representative Williams said providing additional financial aid to students may be more effective than increasing funding to higher education institutions.

Representative Svedjan suggested reviewing the level of student financial aid and the efficiency of the higher education system.

Representative Skarphol suggested the committee receive information on other states' initiatives relating to higher education funding. He suggested the chancellor of the University System provide information on the missions and goals of institutions.

In response to a question from Representative Svedjan, Mr. Jones said financing mechanisms are a means of achieving an affordability goal.

Mr. Jones suggested developing a method of engaging and receiving input from stakeholders.

In response to a question from Representative Skarphol, Mr. Jones said private businesses may need incentives to increase the educational levels of their workers. He said public agencies should also be involved in goals of increasing employee education attainment.

Representative Svedjan said the following goal will be considered by the committee at its next meeting:

Ensure higher education is affordable for both students and taxpayers.

Senator Potter suggested the committee review the proposed higher education budget for the 2009-11 biennium.

Chairman Svedjan said the committee has not been assigned the responsibility of reviewing the 2009-11 higher education budget. He said the committee will be reviewing the financing system of higher education.

Representative Martinson said it may be beneficial for the committee to review the proposed higher education budget. He said if proposed initiated measures that potentially reduce general fund tax revenues are approved by the voters in the November 2008 general election, the funding

available for the operations of state government, including higher education, will be much less than currently anticipated for the 2009-11 biennium.

Mr. William Goetz, Chancellor, North Dakota University System, said the University System is working to create efficiencies, address collaboration, and facilitate the development of technical education programs. He said the initiatives being proposed by the University System are reflected in the higher education budget proposal.

REVIEW OF GOALS

The goals to be further reviewed at the next meeting are:

1. Maintain the highest percentage of residents having attained an associate's degree or higher as compared to any country.
2. Improve the level of educational attainment for historically disadvantaged populations.
3. Ensure recent high school graduates are prepared to succeed in college-level courses without the need for remedial education.
4. Ensure appropriate higher education programs are accessible to students in all geographic areas of the state.

5. Create additional high-value jobs.
6. Ensure higher education is affordable to both students and taxpayers.

Chairman Svedjan announced the next committee meeting will be held in May 2008. He said the committee will meet at the North Dakota School for the Deaf on May 21 and the University of North Dakota on May 22.

There being no further business, Chairman Svedjan adjourned the meeting at 3:00 p.m.

Brady A. Larson
Fiscal Analyst

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:1