NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

HIGHER EDUCATION COMMITTEE

Thursday and Friday, November 3-4, 2011
Roughrider Room, State Capitol
Bismarck, North Dakota

Representative Bob Skarphol, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Bob Skarphol, Thomas R. Beadle, Lois Delmore, Mark A. Dosch, Kathy Hawken, Joe Heilman, Dennis Johnson, Nancy Johnson, RaeAnn G. Kelsch, Bob Martinson, David Monson, Mark Sanford, Clark Williams; Senators Tim Flakoll, Tony Grindberg, Ray Holmberg, Karen K. Krebsbach, Larry Robinson, Mac Schneider, Ryan M. Taylor

Member absent: Senator Dave Nething

Others present: See Appendix A

Chairman Skarphol welcomed Representative Dennis Johnson who was appointed to the Higher Education Committee by the chairman of the Legislative Management.

It was moved by Senator Robinson, seconded by Senator Grindberg, and carried on a voice vote that the minutes of the August 30, 2011, meeting be approved as distributed.

HIGHER EDUCATION STUDY

Higher Education Performance Funding

Chairman Skarphol called on Dr. Julie Bell, Education Program Director, National Conference of State Legislatures, Denver, Colorado, to present information regarding higher education performance funding (Appendix B). Dr. Bell said higher education systems in several states are experiencing challenges due to changing demographics and state budget constraints. She said productivity strategies should be used in higher education to increase efficiencies and improve college completion rates.

Dr. Bell said higher education reform strategies must recognize the following issues:

- Changing state economic conditions;
- Changing student needs and behaviors;
- Importance of connecting higher education to state economic development;
- Need for a clear statement about statewide goals and priorities for higher education;
- Ability to use data to track progress;
- Having accountability for results;
- Ability to have fundamental reform in state funding and policy;
- Importance of reviewing how each part of the overall postsecondary system contributes to overall state goals; and
- Changes in institutional behavior.

Chairman Skarphol asked committee members to rank the importance of the higher education reform issues presented by Dr. Bell. He asked the Legislative Council staff to compile the committee member rankings of the issues.

In response to a question from Representative Delmore, Dr. Bell said using four-year completion rates as a performance funding measure may not be applicable for all categories of students. She said a funding method also needs to provide incentives for increasing access for nontraditional students.

Representative Kelsch said higher education productivity strategies need to identify the needs of the state and how to address those needs.

In response to a question from Representative Heilman, Dr. Bell said the federal government is reviewing financial aid regulations for private colleges. She said it is important to provide financial aid to students while maintaining accountability in the financial aid process.

In response to a question from Senator Krebsbach, Dr. Bell said the National Conference of State Legislatures Blue Ribbon Commission on Higher Education recommended that state legislatures be specific in outcomes that are desired from state higher education systems. She said many state legislatures do not provide clear expectations for higher education systems.

In response to a question from Senator Flakoll, Dr. Bell said loan forgiveness programs can be used to encourage students to pursue careers in fields that meet the workforce needs of the state. She said incentive programs need to recognize the different workforce needs across the state.

Dr. Paul Lingenfelter, President, State Higher Education Executive Officers Association, Boulder, Colorado, presented information regarding education attainment (Appendix C). He said strategies for increasing educational attainment may include:

- Clear learning objectives;
- Effective approaches for engaging students and achieving learning;
- Appropriate, multifaceted assessments;
- Benchmarking and research capability; or
- Collaboration and reciprocal feedback between elementary, secondary, and higher education.

In response to a question from Representative Skarphol, Dr. Lingenfelter said teacher education programs need to ensure that teachers are prepared

for the classroom. He said teachers should focus on individual student learning proficiency rather than teaching all students at the same level of instruction.

Dr. Lingenfelter said state legislatures have the responsibility of determining goals for higher education. He said legislatures should work with other stakeholders to set goals and to provide incentives for higher education institutions to meet the goals. He said a strong emphasis needs to be placed on the coordination of elementary and secondary education with higher education.

In response to a question from Senator Grindberg, Dr. Lingenfelter said a higher education system should focus on student outcomes and the needs of the state. He said higher education priorities should be adjusted based on the changing needs of the state.

Dr. Patrick Kelly, National Center for Higher Education Management Systems, Boulder, Colorado, presented information regarding higher education performance measures (Appendix D). He said measures can be outcome-based, progress-based, or context-based as follows:

Higher Education Performance Measures		
Outcome-Based	**Progress-Based**	**Context-Based**
Degrees awarded annually	Remediation entry and success	Enrollment
Graduation rates	Retention rates	Degrees and certificates awarded
Transfer rates	Course completions	Completion ratio
Time and credits to degree	Credit accumulation	

Ms. Martha Snyder, HCM Strategists, LLC, Washington, D.C., presented information remotely through a webinar regarding higher education performance funding methods (Appendix E). She said performance funding should be used to encourage institutions to meet state priorities while increasing accountability. She said current performance funding methods generally include the following characteristics:

- Completion-focused;
- Simple;
- Supportive of access goals;
- Utilize good data;
- Developed with input from institutions; and
- Provide for a portion of total state funding.

In response to a question from Senator Flakoll, Ms. Snyder said the percentage of total state higher education funding designated for performance funding varies by state. She said most states dedicate between 5 percent and 25 percent of total state higher education funding for performance-based distributions. She said it is important to allocate enough funding for performance-based distributions to ensure that institutions will participate in the process.

In response to a question from Representative Kelsch, Ms. Snyder said some states have enacted legislation requiring the implementation of performance funding methods by a specific future date. She said state legislatures have generally provided guidelines for performance funding measures and allowed higher education entities to develop specific details regarding program administration.

In response to a question from Representative Kelsch, Ms. Snyder said she would provide the committee with information regarding the best practices for implementing a higher education performance funding method.

In response to a question from Senator Flakoll, Ms. Snyder said the quality of education needs to be maintained while improving productivity. She said the quality of education needs to be measured while implementing a performance funding method.

In response to a question from Representative Dosch, Dr. Lingenfelter said the needs of the state should be identified, including how nonresident students may be used to meet the needs. He said nonresident students may be used to meet population and workforce goals.

In response to a question from Representative Skarphol, Dr. Kelly said the North Dakota University System enrolls a larger percentage of nonresident students than most states. He said most state higher education systems have a nonresident student enrollment of approximately 20 percent to 25 percent of total students while the University System has a nonresident student enrollment percentage of approximately 40 percent to 45 percent.

Representative Hawken said nonresident students provide an economic benefit to communities and also assist in the workforce needs of the state.

In response to a question from Representative N. Johnson, Dr. Kelly said North Dakota has more jobs available than high school graduates. He said nonresident students may assist in meeting the workforce needs of the state.

In response to a question from Representative Hawken, Dr. Lingenfelter said a higher education performance funding method should recognize the different missions of higher education institutions. He said it is important to have performance funding measures that address the broad needs of the state while taking into consideration unique campus issues.

In response to a question from Representative Skarphol, Dr. Lingenfelter said he would provide the committee with information regarding effective higher education systems, including the role of legislatures, higher education governing boards, and institution presidents.

In response to a question from Representative Skarphol, Dr. Bell said faculty input should be used when developing a higher education performance funding method.

Ms. Snyder said faculty members are an important part of implementing a performance funding method. She said many faculty members are receptive to performance funding initiatives after reviewing results from the initiatives.

In response to a question from Representative Heilman, Dr. Lingenfelter said tuition amounts

charged to students have been increasing in most states. He said it is important to maintain tuition levels that allow for the highest level of education access and attainment.

In response to a question from Representative Kelsch, Dr. Lingenfelter said an effective higher education system has a strong governing board. He said a higher education system should have a leader who is knowledgeable and can communicate well with other stakeholders.

Dr. Bell said the workforce needs of North Dakota are changing. She said student incentive programs, such as loan repayment programs, can be used to address specific workforce needs.

Representative Delmore said a balance is needed between allowing access for students to enroll in programs they prefer while encouraging enrollment in programs that address the needs of the state.

The committee recessed for lunch at 12:35 p.m. and reconvened at 1:15 p.m.

Mr. Robert Vallie, student member, State Board of Higher Education, Fargo, provided comments regarding the development of a performance funding method for higher education. He said a performance funding method should encourage institutions to address state priorities. He said performance funding measures and the data used for the measures should be easily understandable.

Ms. Janice Hoffarth, staff advisor, State Board of Higher Education, Grand Forks, provided comments to the committee regarding higher education performance funding. She expressed concern that certain performance measures may encourage institutions to limit access for students that do not have high academic performance. She said faculty and staff should be involved in discussions regarding the implementation of a performance funding method.

Higher Education Accreditation

Dr. Janet Welk, Executive Director, Education Standards and Practices Board, presented information regarding the accreditation of teacher education programs (Appendix F). She said North Dakota teacher education programs are accredited by the National Council for Accreditation of Teacher Education. She said all University System institutions with teacher education programs are currently accredited by the council.

Dr. Welk said the approval process of a teacher education program consists of two steps. She said the first step provides for a review of an institution's education department as a whole, while the second step reviews each individual teacher education program within the institution's education department.

In response to a question from Representative Skarphol, Dr. Welk said there are no standards that require the use of specific technology as part of a teacher education program. However, she said, the program review process does review what technology is being used as part of a teacher education program.

In response to a question from Representative Monson, Dr. Welk said certain teacher education programs, such as driver's education programs, are only offered at a limited number of institutions. She said demand for a program generally determines the number of institutions that offer the program.

In response to a question from Representative Skarphol, Dr. Welk said a review of master's-level and doctoral-level teacher education programs is conducted if the programs are used to meet teacher licensing requirements.

Representative Hawken said students that complete an approved teacher education program should be considered qualified for a teacher license in the program area completed.

Senator Flakoll expressed concern that some teachers coming to North Dakota are not highly qualified in a teaching area even though they were considered highly qualified in the same teaching area in another state.

Representative Kelsch said special education teachers are in high demand in certain parts of the state. She said the licensure requirements of special education teachers should be reviewed.

Dr. Barbara Combs, Associate Dean for Education, University of North Dakota, Grand Forks, provided comments regarding the accreditation of higher education institutions. She said members of accreditation review teams receive training and generally conduct two out-of-state program reviews each year.

In response to a question from Representative Kelsch, Dr. Combs said some teacher education programs allow students to complete a yearlong residency program that includes student participation in high school classroom activities.

Dr. Cheryl Nilsen, Associate Professor of Mathematics, Minot State University, provided comments regarding the accreditation of higher education institutions. She said the accreditation process is an important part of accountability for the institution. She said it is important for teacher education programs to prepare teachers to use a variety of teaching methods.

In response to a question from Representative Skarphol, Dr. Nilsen said teaching methods are continuously evolving. She said the accreditation process allows flexibility to encourage new teaching methods to be used and reviewed.

University System Enrollment Information

Dr. Michel Hillman, Vice Chancellor for Academic and Student Affairs, North Dakota University System, Bismarck, presented information regarding the fall 2011 enrollment of the University System (Appendix G). He said the fall 2011 student headcount enrollment was 48,833, and 57.3 percent of students reported a North Dakota home address. He said the fall 2011 headcount enrollment number represents an increase of 899 students from the fall 2010 headcount enrollment of 47,934.

In response to a question from Representative Heilman, Dr. Hillman said the headcount enrollment number includes all students that are enrolled in at least one course offered for credit.

Dr. Hillman said 31,362 students enrolled in the University System were full-time students with an on-campus presence. He said this number represents a decrease from the fall 2010 reported number of 31,766.

In response to a question from Senator Grindberg, Dr. Hillman said full-time students with an on-campus presence includes all full-time students that take at least one course on campus.

Senator Grindberg suggested the committee receive information for the past five years regarding the number of students taking only online courses at each institution, including the residency of the students. He suggested reviewing online course tuition and fees at each institution.

In response to a question from Representative Kelsch, Dr. Hillman said he would provide the committee with information regarding students that do not have an on-campus presence, including the number of students taking courses through each type of distance delivery method.

Ms. Aimee Copas, Academic Affairs Associate, North Dakota University System, Bismarck, presented information (Appendix H) regarding reporting requirements for the federal Integrated Postsecondary Education Data System (IPEDS). She said IPEDS is administered by the United States Department of Education and requires every institution that participates in the federal student financial aid program to submit information to the system. She said the data provided to IPEDS is available to researchers and the public through a program website.

Campus Needs Resulting From the Impact of Oil and Gas Development

Dr. Ray Nadolny, President, Williston State College, Williston, presented information regarding campus needs at Williston State College due to the impact of oil and gas development (Appendix I). He said additional funding is needed to address security concerns on campus and to increase faculty and staff salaries to remain competitive with local salary levels. He said the cost of housing in Williston is also affecting faculty and staff members.

Additional information distributed by Dr. Nadolny regarding the impact of oil and gas development is on file in the Legislative Council office.

In response to a question from Representative Beadle, Dr. Nadolny said funding is also needed for a generator to supply backup power to the campus. He said a power outage during the spring of 2011 resulted in the campus losing power for five days and four nights.

Representative Skarphol said Williston State College is currently reviewing options for the construction of apartments on campus to provide housing for campus employees as well as employees of state agencies and political subdivisions.

In response to a question from Representative Monson, Dr. Nadolny said it is difficult to find contractors in Williston to complete campus projects.

Representative Skarphol said construction costs in Williston are substantially higher than the rest of the state.

Dr. D. C. Coston, Acting President, Dickinson State University, Dickinson, provided comments regarding the impact of oil and gas development on Dickinson State University. He said the university will also be experiencing housing and security issues as a result of oil and gas development in the area. He said the campus currently has a student housing shortage and many dormitories have more students living in them than what they were designed for. He said many faculty members are unable to move their families to Dickinson due to the housing shortage in the city.

Senator Krebsbach said Minot State University is also experiencing a housing shortage due to the impact of oil and gas development. She said the recent flood in Minot has further and significantly affected available housing for campus employees and students. She said temporary housing units have been placed on campus to help accommodate students, faculty, and staff.

North Dakota Academic and Career and Technical Education Scholarships

Ms. Gina Padilla, Assistant Director of Financial Aid, North Dakota University System, Bismarck, provided a report pursuant to North Dakota Century Code Section 15-62.2-05 regarding the number of academic and career and technical education scholarships awarded to students (Appendix J). She said 8,674 students graduated from North Dakota high schools during 2011, and 1,201 of those students were eligible for an academic or career and technical education scholarship. She said of the eligible students, 1,072 students accepted a scholarship offer.

Ms. Padilla said a total of 1,968 scholarships were awarded during the fall 2011 semester to 2010 and 2011 high school graduates. She presented the following schedule detailing the types of institutions attended by 2010 and 2011 high school graduates that received a scholarship:

Institutions Attended by Scholarship Recipients - Fall 2011 Semester (Includes 2010 and 2011 High School Graduates)

	Two-Year Public or Tribal Institution	Public Four-Year Institution	Public Research Institution	Private Institution	Total
Academic scholarship recipients	130	191	921	168	1,410
Career and technical education scholarship recipients	172	102	234	50	558
Total	302	293	1,155	218	1,968

In response to a question from Senator Grindberg, Ms. Padilla said 21 percent of 2010 high school graduates were eligible to receive a scholarship while only 13.8 percent of 2011 high school graduates were eligible to receive a scholarship.

In response to a question from Representative Skarphol, Ms. Padilla said the academic scholarship program requires a student to receive a score of at least 24 on the ACT test in order to be eligible for a scholarship. However, she said, some students who received an ACT score of at least 24 were not eligible for a scholarship due to other eligibility criteria, including a minimum grade point average and the completion of certain high school courses.

Representative Kelsch said the average ACT test score for a state may not be comparable to other states because of different state requirements for who must take the test.

Ms. Padilla said 94 percent of 2011 North Dakota high school graduates took the ACT test and 3 percent took the WorkKeys examination.

North Dakota State University Admissions

Mr. Prakash Mathew, Vice President for Student Affairs, and Mr. Jobey Lichtblau, Director of Admissions, North Dakota State University, Fargo, presented information (Appendix K) regarding the student recruitment and admissions process at North Dakota State University (NDSU). Mr. Mathew said the university has reduced the amount of funds dedicated to marketing and advertising which is used to recruit new students. He said the university received fewer student admissions applications for the fall 2011 semester than in prior years.

Mr. Mathew presented the following schedule detailing the number of students that submitted a completed application and all required materials for undergraduate admission to NDSU for the past four years, including the number of applications accepted for admission and the number of applications that were denied admission:

NDSU Undergraduate Applications			
	Admitted	Denied	Percentage of Applications Denied
Fall 2008	5,524	164	2.88%
Fall 2009	5,596	172	2.98%
Fall 2010	5,502	215	3.76%
Fall 2011	5,416	296	5.18%

Mr. Mathew said some students that are admitted to NDSU choose not to enroll at the institution. He said during the fall of 2011, a total of 3,113 new freshman and transfer students enrolled at the university.

Mr. Lichtblau said NDSU has selective criteria to determine if a student is adequately prepared to be admitted to the university. He said a student generally needs to have achieved a certain high school grade point average and an ACT or a SAT score in order to be admitted to the university but other factors may also be used in making a final decision.

In response to a question from Senator Robinson, Mr. Lichtblau said students can be conditionally admitted to NDSU if they do not meet certain admissions criteria. He said additional resources are provided for conditionally admitted students to ensure the success of the students.

The committee recessed at 4:45 p.m. and reconvened at 9:00 a.m. on Friday, November 4, 2011.

Higher Education Impact on State Workforce and Economic Needs

Dr. Bruce Vandal, Director, Postsecondary and Workforce Development Institute, Education Commission of the States, Denver, Colorado, presented information regarding the ability of higher education to meet the workforce and economic needs of the state (Appendix L). He said by the year 2018, 70 percent of jobs in North Dakota will require some postsecondary education. He said focusing on college completion rather than access may help address the needs of the state.

Dr. Vandal said the following seven strategies can be used to increase college completion rates and address the workforce and economic needs of the state:

1. Reduce the number of students entering college that need remedial education and decrease the amount of time that students spend in remedial education courses;
2. Encourage college completion for adults that previously completed college courses but do not have a degree;
3. Create structured, cohort-based programs that provide students with a consistent schedule and a specific program completion point;
4. Direct students into a program of study;
5. Develop career pathways through partnerships with employers to align student skills with workforce needs;
6. Use student incentives to encourage degree completion; and
7. Use technology-based comprehensive advising to ensure student success.

In response to a question from Representative Skarphol, Dr. Vandal said the legislature should set goals for the state. He said state resources need to be aligned to help achieve the goals. He said workforce data should be included in higher education initiatives to allow stakeholders to determine the effect of higher education initiatives on state workforce needs.

In response to a question from Senator Flakoll, Dr. Vandal said some states are providing assessment examinations to allow high school students to determine if they are ready for college. He said the examinations are normally administered during the student's junior year in high school to allow

the student to improve in deficient areas during their final year of high school.

In response to a question from Senator Flakoll, Dr. Vandal said many high school students do not take a mathematics course during their senior year of high school. He said it may be beneficial to have students enroll in dual-credit mathematics courses during their senior year of high school to allow students to maintain mathematics proficiency. He said it is important to align high school graduation requirements with the proficiency expectations of students entering college.

In response to a question from Representative Delmore, Dr. Vandal said standards should be developed to determine if students are prepared to enter college. He said it is important to understand that an assessment examination may not be the best method to determine if a student is prepared for college. He said some students may perform poorly on an examination but are still adequately prepared for college.

Representative Kelsch said some institutions require students to take course placement examinations while attending campus orientation sessions. She said students may not be aware of the test and do not have time to prepare. She suggested the committee receive information regarding when institutions ask students to take course placement and other assessment examinations.

In response to a question from Representative Heilman, Dr. Vandal said institutions should review how student support services align with student needs. He said it may be beneficial to require deficient students to spend additional time in tutoring sessions or other assistance programs.

In response to a question from Representative Skarphol, Dr. Vandal said it is important to discuss the value of nonresident students while evaluating higher education initiatives. He said higher education programs need to address the needs of the state, and job opportunities need to be available to retain students in the state after completing college.

In response to a question from Senator Taylor, Dr. Vandal said some states are developing programs that connect students with specific career opportunities. He said the programs may provide students with internship opportunities that can eventually lead to employment after college.

In response to a question from Representative Delmore, Dr. Vandal said workforce demands can be affected by low salary levels. He said an assessment can be conducted to determine which career fields have job opportunities and how students can develop skills for the job opportunities.

In response to a question from Representative Kelsch, Dr. Vandal said he would provide the committee with information regarding how other states are using technology to encourage student completion through comprehensive advising.

In response to a question from Senator Krebsbach, Dr. Vandal said the quality and success of online programs should be evaluated. He said online courses may not be the best delivery method for students taking remedial education courses.

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

University System College Cost Calculator

Mr. Randel Thursby, Chief Information Officer, North Dakota University System, Fargo, provided an overview of the development of a college cost calculator tool. He said the tool is being developed in response to the enactment of Section 15-10.3-02 which requires the University System to post student tuition and fee costs on its website. He said the college cost calculator tool will allow users to quickly determine tuition and fee costs at each University System institution. A beta version of the college cost calculator tool can be accessed at fees.ndus.edu.

In response to a question from Senator Flakoll, Mr. Thursby said personal user information is not collected through the college cost calculator tool.

In response to a question from Representative Delmore, Mr. Thursby said additional features may be added to the tool to allow students to access additional program and institution information.

In response to a question from Senator Schneider, Ms. Alice Brekke, Vice President for Finance and Operations, University of North Dakota, Grand Forks, said several mandatory student fees at the University of North Dakota (UND) are bundled together for student billing purposes and are not detailed separately.

Senator Schneider expressed concern with the lack of transparency that exists when student fees are bundled together for billing purposes.

Student Fees

Ms. Cathy McDonald, Director of Finance, North Dakota University System, Bismarck, presented information regarding student fees charged at University System institutions (Appendix M). She said institutions charge mandatory fees to all students for purposes such as technology maintenance and student activities. She said institutions can also charge nonmandatory fees for specific program or course costs and other campus services. She said part-time students generally pay a prorated fee based on the number of credits for which the student is enrolled.

Ms. McDonald presented the following schedule detailing annual mandatory student fee charges for full-time students at each institution during the 2011-12 academic year:

	Mandatory Student Fee Charges (Based on Full-Time Student Charges - 2011-12 Academic Year)			
	ConnectND Fee[1]	North Dakota Student Association Fee[2]	Technology Fee[3]	University or College Fee[4]
Bismarck State College	$162	$0.72	$120	$360
Lake Region State College	$162	$0.72	$200	$480
Williston State College	$162	$0.72	$280	$613
University of North Dakota	$162	$0.72	$100	$1,036
North Dakota State University	$162	$0.72	$165	$712
State College of Science	$162	$0.72	$100	$290
Dickinson State University	$162	$0.72	$144	$887
Mayville State University	$162	$0.72	$990	$557
Minot State University	$162	$0.72	$120	$892
Valley City State University	$162	$0.72	$998	$492
Dakota College at Bottineau	$162	$0.72	$144	$430

[1]The State Board of Higher Education requires each institution to charge a fee of $81 per semester to each full-time student for costs related to ConnectND information systems.

[2]State Board of Higher Education policy requires each institution to charge a fee of three cents per credit hour, up to a total of 12 credit hours per semester, to support the activities of the North Dakota Student Association.

[3]State Board of Higher Education policy allows institutions to charge a fee to support campus networking and technology purposes. The fee must be approved by the chancellor.

[4]State Board of Higher Education policy allows institutions to charge an institution fee to support activities that benefit the student body, including debt retirement, student union operations, student organizations, and athletics. The fee is approved by the institution president.

Ms. McDonald presented the following schedule detailing total mandatory student fee collections at each institution during the 2010-11 academic year:

	Total Mandatory Student Fee Collections (2010-11 Academic Year)
Bismarck State College	$1,957,126
Lake Region State College	689,904
Williston State College	356,359
University of North Dakota	15,834,087
North Dakota State University	13,199,405
State College of Science	879,238
Dickinson State University	1,740,027
Mayville State University	1,007,364
Minot State University	3,092,708
Valley City State University	1,446,380
Dakota College at Bottineau	290,939
Total	$40,493,537

In response to a question from Representative Skarphol, Ms. McDonald said she would provide the committee with information regarding the differences in the university/college fee amounts charged by each institution.

Representative Monson said students enrolled in online courses are charged mandatory student fees but may not be able to use the services for which the fees are charged.

In response to a question from Senator Schneider, Ms. McDonald said State Board of Higher Education policy allows institutions to charge course and program fees to pay for costs associated with the course or program.

Senator Schneider suggested the committee receive information regarding the historical level of tuition and fees collected by each University System institution.

In response to a question from Senator Flakoll, Ms. McDonald said she would provide the committee with information regarding whether combining student tuition and fees into a single charge would have an effect on student financial aid eligibility.

Senator Robinson said some student fees may have been implemented during times when state support for higher education was reduced.

Ms. Kirsten Diederich, member, State Board of Higher Education, Fargo, provided comments to the committee regarding student fees. She said the State Board of Higher Education is currently reviewing student fees charged at each institution. She said it is important to ensure that program and course fees are being used primarily for the purpose for which they are charged. She said student input is a major consideration when implementing a program fee at an institution.

Representative Heilman said any proposals to limit student fee increases at institutions should not prevent fee increases for services requested by students.

In response to a question from Representative Skarphol, Dr. John Richman, President, State College of Science, Wahpeton, said some technical programs are more expensive to offer and require additional fees to pay for the cost of providing the program. He said some programs are forming partnerships with representatives of business and industry to help reduce program costs to students.

Chairman Skarphol asked Dr. Richman to provide information at a future committee meeting regarding potential higher education funding methods that may be used to address the unique program costs at the State College of Science.

Dr. Larry Skogen, President, Bismarck State College, Bismarck, said technical programs may have limits on enrollment due to program costs and facility requirements. He said technical programs generally

do not generate enough revenue to pay for all program costs.

In response to a question from Representative Skarphol, Dr. Skogen said it is important for two-year institutions to offer general education courses in addition to technical courses. He said allowing two-year institutions to only offer technical programs would limit educational access for local students. He said most technical education programs require students to take general education courses.

Mr. Shane Gerbert, student, University of North Dakota, Grand Forks, provided comments to the committee regarding student fees. He said student fees can represent a large portion of education costs and should be transparent.

Mr. Tyler Leverington, student, North Dakota State University, Fargo, said NDSU has implemented a student fee advisory board consisting of students and administrators. He said the board allows student input for any proposed student fee increase at the institution.

COMMITTEE DISCUSSION AND STAFF DIRECTIVES

Representative Martinson suggested the committee receive information regarding programs or projects that were affected due to funding reductions made to the University System office system governance line item by the 62nd Legislative Assembly. Chairman Skarphol asked representatives of the University System office to provide this information to the Legislative Council office. He also asked representatives of each institution to provide information to the Legislative Council office regarding how the funding reduction made to the system governance line item affected each institution.

Chairman Skarphol asked the Legislative Council staff to provide information to committee members regarding long-term liabilities at each University System institution and a comparison of 2009-11 biennium expenditures by institution.

Representative Martinson suggested the committee receive an overview of the current higher education funding model from the University System office at a future meeting. He also suggested that representatives of NDSU provide information to the committee regarding any concerns with current levels of state funding provided to the institution and that representatives of UND provide comments to the committee regarding the current level of state funding provided to NDSU.

Chairman Skarphol announced the next committee meeting is tentatively scheduled for January 2012.

No further business appearing, Chairman Skarphol adjourned the meeting at 2:30 p.m.

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Brady A. Larson
Fiscal Analyst

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Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:13