

2015 HOUSE EDUCATION

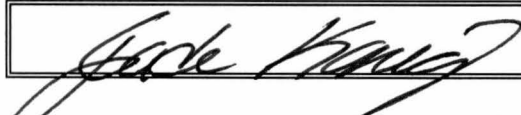
HCR 3046

2015 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Pioneer Room, State Capitol

HCR 3046
3/11/2015
24651

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

Directing the Legislative Management to study public higher education in North Dakota for the purpose of developing and implementing a governance model that articulates the roles and functions of the State Board of Higher Education, the commissioner of higher education, and the presidents of each institution of higher education under the control of the board.

Attachment 1, 2

Minutes:

Chairman Nathe: opened the hearing on HCR 3046.

Representative Carlson: Introduced HCR 3046. To give you a little precursor of all this one of my first session in the legislature when we changed the governance model at the workers compensation, back then it was called worker compensation bureau and now it is workforce safety and insurance. The first thing we did is we set it up and moved it from a government entity to a private entity as we set up a form of governance for the board. We used the carbon model of governance. If you have not been involved in governance at all it sets a very clear delineation as to the chain of command. As you know measure three was defeated on the ballot by a rather significant number when we tried to change the makeup of the board so the voters have said they like this eight member board set up that we have for board of higher education and this is an attempt to help them with our involvement to set up a clear concise chain of command in higher education that will exist into the future. This is not to pick on them, or to say that everything you have done is right but it's also not saying that some of the things you have done are wrong. It helps them set up with legislative involvement and I do believe that higher education need a seat at the table when we do this but when you hear comments about, road presidents, about closed meetings, I think we need to look at the governance model that is established for higher education, because we do have a responsibility as a state and at this point in time we are almost into a billion dollars of responsibility of funding higher education and we want the most comprehensive the most efficient system we can get for those dollars. So other than just being the gate keeper of the money I think it is a responsibility of ours to make sure there is

governance there. As they go to search for a new chancellor I think the best thing the chancellor would like is to know exactly what every body's role is in the chain of command. I think that's not exactly clear today. It does go through and it talks about the whereas is but then it talks about the study at the bottom of the page; developing and implementing a governance model that articulates. Here is what it is meant to accomplish, the role and function of the state board of higher education and that of its chairman and other members including the boards objectives and the monitoring responsibilities necessary to insure that all objects are achieved. The role and function of the commissioner of higher education which would be the chancellor, including the commissioners relationship with the board that commissioners responsibility for implementing their objectives and meeting the boards expectations regarding organizational performance. The role and function of each institutions presidents including the authority and the responsibly to supervise and direct the efficient operations of the institution, to execute all the reactive from the commissioner of higher education and to report directly to the commissioner regarding the operation and management institutions and the execution of the directives. That is a lot of stuff but it very clearly in my opinion we don't need to constantly be reading about each other in the paper. We need to have a smooth oil machine that is training the workforce for the 21st century. That is the job of higher education. We need to assist them when we can in terms of consolidation, in terms of promoting new programs that's our job. We can pass legislation which they are subject to but our job is not to be the governing board on a day to day basis. This is not an attempt other than to try and have a clear model of governance that we can refer to and say is it working and are they achieving the proper objectives as they go through it. If it does not anywhere in here say that they should have a role in this and a seat at the table, I think that might be something we should add into it. I think it is important that their input and their discussion is very valuable to how this whole thing transpires in the future, but we have had enough things happen that we need to address it. IF we need to give the guidance let's give some guidance and along with the guidance goes expectations. We have changed the funding formula and we changed it again this time. That funding formula on performance has got some really good things and it has some things that are hard to balance. If those were legislative initiatives and we need to work with them on what the governance would be on a day to day basis of that system. I think we can accomplish great things as we move the board of higher education forward.

Rep Hunskor: Is it the intent to have an independent third party that would be used to work your thoughts through here?

Representative Carlson: That is exactly what we did when we did the board we had some one, an expert in governance that came in and help us with that as we set up the carbon model and that is way to detailed to go through here but there is not money in this bill but if it's one of those studies picked the legislative management does have a pool of money that we set aside every biennium when studies come up that require some infusion or hiring of an expert. I would say that is probably a good suggestion and I don't think you need to put it in the bill. I think sometimes you need an expert who deals with that.

Larry Skogen, Interim Chancellor: In support of HCR 3046. (See Attachment #1).

Vice Chairman Schatz: Any support of any opposition HCR 3046? Closed the hearing on HCR 3046.

Chairman Nathe: Reopened the hearing on HCR 3046.

Representative Carlson: Suggested an amendment (See Attachment 2)

Rep Mock: I move the amendment.

Rep Looyen: Second.

Rep Schreiber Beck: It just sounds like if they are an intrigue part of it that's right but it almost sounds like everything is revolving around them. There has to be a better word than that.

Motion to Adopt Amendment page 2 line 12 insert "be it further resolved" and to strike "integrally".

Motion made by Representative Mock.

Seconded by Representative Looyen.

Voice Vote.

Motion Carried.

Rep Hunskor: As I understand this is turned over to legislative management to do the study and my question to him was would an independent group do the study? Would it be done by a committee appointed legislatures or what? He talked about the possibility of an independent third party and that there is money available in legislative management to hire someone. To me that would be better.

Chairman Nathe: That would be the decision the legislative management would make.

Rep Kelsh: I don't know if they would have the money to do an independent study. They would have money to bring somebody in that would testify.

Chairman Nathe: If you remember in the interim committee we brought PICUS in. They had money for that study which paid PICUS to come in and do that.

Rep Kelsh: That's what I am saying is will probably happen here. It wouldn't be PICUS that did the study.

Rep Hunskor: My concern is that there have been not the best feelings between legislature and higher Ed and as we go through this that it isn't tainted one way or the other that it is entirely neutral to accomplish the purpose. Hopefully that is the way it will be.

Chairman Nathe: I think it will be and I think that is why Representative Carlson agreed to have higher Ed involved in the study so they had a voice at the table.

Rep Zubke: Moved Do Pass As Amended on HCR 3046.

Rep Looyen: Seconded.

Motion for Do Pass As Amended on HCR 3046 Place on Consent Calendar.

Motion made by Representative Zubke.

Seconded by Representative Looyen.

Total yes 12. No 0. Absent 1.

Motion Carried.

Floor assignment Representative Zubke.

15.3112.01001
Title.02000

Adopted by the Education Committee

sl
3/11/15

March 11, 2015

PROPOSED AMENDMENTS TO HOUSE CONCURRENT RESOLUTION NO. 3046

Page 2, after line 12, insert:

"BE IT FURTHER RESOLVED, that higher education professionals designated by the state board of higher education be involved in the study; and"

Renumber accordingly

Date: 3-11-15
 Roll Call Vote #: 1

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HCR 3046**

House Education Committee

Subcommittee

Amendment LC# or Description: page 2 line 12 insert "Be it further resolved."
and strike "integrally"

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Rep. Mock Seconded By Rep. Looyen

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------|-----|----|-----------------|-----|----|
| Chairman Nathe | | | Rep. Hunskor | | |
| Vice Chairman Schatz | | | Rep. Kelsh | | |
| Rep. Dennis Johnson | | | Rep. Mock | | |
| Rep. B. Koppelman | | | | | |
| Rep. Looyen | | | | | |
| Rep. Meier | | | | | |
| Rep. Olson | | | | | |
| Rep. Rohr | | | | | |
| Rep. Schreiber Beck | | | | | |
| Rep. Zubke | | | | | |
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Vote!
Vote!
Vote!
Motion Carried

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3-11-15
 Roll Call Vote #: 2

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HCR 3046**

House Education Committee

Subcommittee

Amendment LC# or Description: 15.3112.01001

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Zubke Seconded By Rep. Looyssen

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------|-----|----|-----------------|-----|----|
| Chairman Nathe | ✓ | | Rep. Hunskor | ✓ | |
| Vice Chairman Schatz | ✓ | | Rep. Kelsh | ✓ | |
| Rep. Dennis Johnson | ✓ | | Rep. Mock | ✓ | |
| Rep. B. Koppelman | ✓ | | | | |
| Rep. Looyssen | ✓ | | | | |
| Rep. Meier | ✓ | | | | |
| Rep. Olson | A | | | | |
| Rep. Rohr | ✓ | | | | |
| Rep. Schreiber Beck | ✓ | | | | |
| Rep. Zubke | ✓ | | | | |
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Total (Yes) 12 No 0

Absent 1

Floor Assignment Rep. Zubke

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HCR 3046: Education Committee (Rep. Nathe, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HCR 3046 was placed on the Sixth order on the calendar.

Page 2, after line 12, insert:

"BE IT FURTHER RESOLVED, that higher education professionals designated by the state board of higher education be involved in the study; and"

Renumber accordingly

2015 SENATE EDUCATION

HCR 3046

2015 SENATE STANDING COMMITTEE MINUTES

Education Committee
Missouri River Room, State Capitol

HCR 3046
3/25/2015
Job # 25378 (17:08)

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

INITIAL HEARING

To study public higher education in North Dakota for the purpose of developing and implementing a governance model

Minutes:

2 Attachments

Chairman Flakoll called the committee to order at 9:00am with all committee members present.

Al Carlson, Representative (*see attachment #1*)

Representative Carlson: I have been involved in several boards and the key is their structure and functioning model. This is a very fluid form of governance. The citizens like the 8 member board and its governance so let's see if we as a legislature can make it better. I think if you go through these 10 steps of the policy governance that can be accomplished. This is not to be critical of them but rather to assist them. There has been discussion over the years about rogue presidents. If this can help them in any way, then it is beneficial. Our responsibility should extend beyond funding. This Carver model clearly establishes what the role is. This is beneficial for the interim.

Senator Davison: The Fargo School Board adopted this model about 10 years ago. Have you ever had a chance to visit with them on how it has affected them?

Representative Carlson: I have not, but there are two experts whom I recommend named Patrick Trainer with Dakota Medical Foundation and Eric Monson with the Ann Carlson Center. It might be valuable to put some money in here and allow them to have some of those people come in and teach them on how this works. A well-functioning board needs to have a clear delineation as to who is in charge. This is a big budget that these people are managing so it is important that it is run properly.

Chairman Flakoll: Did you used to be on the Board of Dakota Medical Foundation?

Representative Carlson: I was not on the board, but I was a member.

Chairman Flakoll: We won't be able to put money in this since it is a Resolution

Representative Carlson: I would hope the school boards could allocate some funding for that, or perhaps they would give information voluntarily.

Chairman Flakoll: Did you want to put something in OMB?

Representative Carlson: That could be done, but they will need an expert in the room besides the manual. You need someone to direct you how to do this.

Chairman Flakoll: This is our last bill for the session. Next week it was my intent to bring in Eric Monson to speak on the Autism work force. We could have him talk about the Carver model as well.

Representative Carlson: This will be the form of board governance we will have for years to come in education. Let's make it the best we can for people who use this system.

(11:34) Larry Skogen, Interim Chancellor of the University System (see attachment #2)

Chairman Flakoll: Who would be designated on the Education Professionals designated by the state board of higher education?

Skogen: That would be the board's decision. I would suspect it would be consist of board members, presidents, and probably some senior faculty members from different institutions to have this discussion.

I think this could be an important vehicle for collaboration. We are all serving the same people and we need to do it right. I know not everybody supported the round table, but it was very effective and the rest of the nation was looking to North Dakota as a model. We need to get to back to that conversation.

Chairman Flakoll closes the hearing on HCR 3046.

2015 SENATE STANDING COMMITTEE MINUTES

Education Committee
Missouri River Room, State Capitol

HCR 3046
3/25/2015
Job # 25383 (0:55)

- Subcommittee
 Conference Committee

Committee Clerk Signature 

Explanation or reason for introduction of bill/resolution:

COMMITTEE ACTION

Minutes:

No attachments

Senator Davison motions for a **DO PASS** to engrossed HCR 3046.
Senator Marcellais seconds the motions.

A vote was taken: 6 yays, 0 nays, 0 absent
The motion carries: 6-0.

Chairman Flakoll will carry the bill.

**2015 SENATE EDUCATION COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 3046**

Senate Education _____ Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Senator Davison _____ Seconded By Senator Marcellais _____

| Senators | Yes | No | Senators | Yes | No |
|--------------------|-----|----|--------------------|-----|----|
| Chairman Flakoll | X | | Senator Marcellais | X | |
| Vice Chairman Rust | X | | Senator Oban | X | |
| Senator Davison | X | | | | |
| Senator Schaible | X | | | | |
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Total (Yes) 6 _____ No 0 _____

Absent 0 _____

Floor Assignment Chairman Flakoll _____

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HCR 3046, as engrossed: **Education Committee (Sen. Flakoll, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HCR 3046 was placed on the Fourteenth order on the calendar.

2015 TESTIMONY

HCR 3046

HCR 3046

House Education

Larry C. Skogen, Interim Chancellor

701.328.2974 | larry.skogen@ndus.edu

Good morning Chairman Nathe and committee members. I'm Larry Skogen, Interim Chancellor of the University System, and I'm here to testify in support of HCR 3046.

Our current model of governance of the university system was born out of political turmoil in the 1930s, and has tried to adapt itself to a changing North Dakota over the decades. However, we have transformed as a state in the last decade. That same decade has witnessed a growing tension between this legislative body and the constituted independent governing Board of Higher Education. That is unfortunate on a number of levels, but particularly because around the year 2000 North Dakota was the envy of the nation when the Roundtable discussions and legislation were demonstrating unequaled collaboration among lawmakers, business, industry, and higher education. Clearly, we need to find a way to reinvigorate that environment.

This current proposal to study the governance model for higher education may be a vehicle to do that. There's nothing particularly sacred about our current system. What is sacred in higher education is that educational and academic decisions (that is who teaches, what is taught, and to whom it is taught) are independent from political pressures and control. Certainly, that can be done, and is done around the nation, using other models of governance.

As this body considers and moves forward with this study, I would hope and encourage that higher education has a place at the table. Current Board members--who are all passionate about higher education,--and the college and university presidents--who are professional educators--and their faculty and staff have much to contribute to this conversation and study.

So we are supportive of this resolution and encourage a Do Pass from this committee. Thank you for your time and support.

#2 HCR 3046
3/11/15

PROPOSED AMENDMENTS TO HOUSE CONCURRENT RESOLUTION 3046

Page 2, line 12, after "and" insert "BE IT FURTHER RESOLVED, that higher education professionals designated by the State Board of Higher Education be ~~integrally~~ involved in the study; and"

#1
3/25/15
HCR 3046

From Representative Carlson

The Policy Governance® Model

The ten steps of Policy Governance®, an integrated board leadership paradigm created by Dr. John Carver:

1. The board governs on behalf of people who are not at the board table. The board must establish, maintain, clarify and protect the relationship of trust with the legal and moral owners of the organization.
2. The board should speak with one voice. The power of directors is not as individuals, but as an entity.
3. Board decisions should predominantly be policy decisions. It is not possible for the board to control every interaction between the organization and the world. Policies give the board the best means to frame the organization's interactions.
4. Boards should formulate policies in layers, starting from broad statements and working down in logical succession.
5. The board should 'define and delegate, rather than react and ratify'.
6. The main game is the ends to be achieved, that is, the outcomes not the process.
7. The board's best control over the means used by staff is to proscribe, not prescribe. Thus the board maintains control of the organization by putting certain actions off limits, while not hindering the work of staff.
8. Boards should explicitly design their own products and process.
9. The link between the board and the CEO must be empowering and safe. It should be empowering, in that the CEO should not be subject to second-guessing about individual decisions, provided his or her decisions are consistent with any reasonable interpretation of the board's policy. The link should be safe, in that the CEO's decisions and actions must be within policy.
10. CEO performance must be monitored rigorously, but only against policy criteria explicitly established by the board.

HCR 3046

Senate Education

Larry C. Skogen, Interim Chancellor

701.328.2974 | larry.skogen@ndus.edu

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This current proposal to study the governance model for higher education may be a vehicle to do that. There's nothing particularly sacred about our current system. What is sacred in higher education especially related to accreditation, is that educational and academic decisions (that is who teaches, what is taught, and to whom it is taught) are independent from political pressures and control. Certainly, that can be done, and is done around the nation, using various models of governance.

As this body considers and moves forward with this study, we appreciate the inclusion of higher education in this process. Current Board members--who are all passionate about higher education--and the college and university presidents--who are professional educators--and their faculty and staff have much to contribute to this conversation and study.

So we are supportive of this resolution and encourage a Do Pass from this committee. Thank you for your time and support.

1/1