

HIGHER EDUCATION - BACKGROUND MEMORANDUM

STUDY RESPONSIBILITY

Section 24 of 2003 House Bill No. 1003 directs a study of higher education, a copy of which is attached as Appendix A. The study, which may include the use of a Higher Education Roundtable format, should further refine the expectations of the North Dakota University System in meeting the state's needs in the 21st century, the funding methodology needed to meet those expectations and needs, and the accountability system and reporting methodology for the University System.

BACKGROUND

The North Dakota University System consists of 11 institutions under the control of the State Board of Higher Education. The system served approximately 39,614 students (headcount enrollment) during the 2002-03 academic year. This represented approximately 32,107 full-time equivalent (FTE) students.

Total spending appropriated by the 2003 Legislative Assembly for higher education institutions, including the University System office, totaled \$472,088,193, of which \$361,541,418 was from the general fund and \$110,546,775 from special funds. The legislative appropriations for the 11 institutions, the University System office, and the Forest Service include funding for 2,400.38 FTE positions for the 2003-05 biennium.

PREVIOUS LEGISLATIVE HIGHER EDUCATION STUDIES AND RELATED LEGISLATION 1999-2000 Study

The higher education system has been studied on numerous occasions by Legislative Council committees. The Higher Education Committee during the 1999-2000 interim studied higher education funding, including the expectations of the University System in meeting the state's needs in the 21st century, the funding methodology needed to meet these expectations and needs, and the appropriate accountability and reporting system for the University System. The committee through the use of a Higher Education Roundtable consisting of the 21 members of the Higher Education Committee and 40 representatives from the State Board of Higher Education, business and industry, higher education institutions, including tribal colleges and private colleges, and the executive branch discussed shifts, trends, and realities that impact the state of North Dakota and the University System and developed expectations for the University System, recommendations concerning higher

education in North Dakota, and accountability measures and success indicators that correspond with the expectations for the University System. A listing of recommendations from the Higher Education Roundtable is attached as Appendix B.

The committee recommended the following bills regarding higher education funding:

- Senate Bill No. 2037 (2001), which, as introduced, provided a continuing appropriation for all funds in higher education institutions' special revenue funds, including tuition, and allowed institutions to carry over at the end of the biennium unspent general fund appropriations.
- Senate Bill No. 2038 (2001), which, as introduced, required the budget request for the University System to include budget estimates for block grants for a base-funding component and for an initiative-funding component for specific strategies or initiatives and a budget estimate for an asset-funding component for renewal and replacement of physical plant assets at the institutions of higher education and the appropriation for the University System to include block grants to the State Board of Higher Education for a base-funding appropriation and for an initiative-funding appropriation for specific strategies or initiatives and an appropriation for asset funding for renewal and replacement of physical plant assets.
- Senate Bill No. 2039 (2001), which, as introduced, allowed the State Board of Higher Education to authorize campus improvements and building maintenance projects that are financed by donations, gifts, grants, and bequests if the cost of the improvement or maintenance is not more than \$500,000.
- Senate Bill No. 2040 (2001), which, as introduced, allowed the University System to provide bonuses, cash incentive awards, and temporary salary adjustments without reporting the activity to the Office of Management and Budget as a fiscal irregularity.
- Senate Bill No. 2041 (2001), which, as introduced, recognized the institutions under the control of the State Board of Higher Education as the North Dakota University System and to require the University System to develop a strategic plan which defines University System goals and objectives and to provide an annual performance and accountability report

regarding performance and progress toward the goals and objectives.

- Senate Bill No. 2042 (2001), which, as introduced, amended and repealed statutes relating to the powers of the State Board of Higher Education and the duties and responsibilities of institutions under the control of the State Board of Higher Education which are no longer appropriate.

The committee also recommended financial and nonfinancial accountability measurements to be reported annually at the University System level.

2001 Legislation

The 2001 Legislative Assembly amended 2001 Senate Bill No. 2003 to:

- Provide that the State Board of Higher Education's annual performance and accountability report as required by Senate Bill No. 2041 (2001) include an executive summary and specific performance and accountability measures regarding education excellence, economic development, student access, student affordability, and financial operations.
- Provide a continuing appropriation for higher education institutions' special revenue funds, including tuition income and local funds. This legislative action, which was originally a provision in Senate Bill No. 2037 (2001), as introduced, was effective through June 30, 2003.
- Require the budget estimates for higher education to include block grants for a base-funding component and for an initiative-funding component and a budget estimate for an asset-funding component. This legislative action, which was originally a provision in Senate Bill No. 2038 (2001), as introduced, was effective through June 30, 2003.
- Require the appropriation for the University System to include block grants to the State Board of Higher Education for a base-funding appropriation and for an initiative-funding appropriation and an appropriation for asset funding. This legislative action, which was originally a provision in Senate Bill No. 2038 (2001), as introduced, was effective through June 30, 2003.
- Allow higher education institutions to carry over at the end of the biennium unspent general fund appropriations. This legislative action, which was originally a provision in Senate Bill No. 2037 (2001), as introduced, was effective through June 30, 2003.

The 2001 Legislative Assembly amended Senate Bill No. 2039, which was recommended by the 1999-2000 interim Higher Education Committee, to allow the State Board of Higher Education to authorize campus improvements and building maintenance projects that are financed by donations, gifts, grants,

and bequests if the cost of the improvement or maintenance is not more than \$385,000.

The 2001 Legislative Assembly did not approve Senate Bill No. 2040, which was recommended by the 1999-2000 interim Higher Education Committee, to allow the University System to provide bonuses, cash incentive awards, and temporary salary adjustments without reporting the activity to the Office of Management and Budget as a fiscal irregularity.

The 2001 Legislative Assembly adopted Senate Bill No. 2041, which was recommended by the 1999-2000 interim Higher Education Committee, to recognize the institutions under the control of the State Board of Higher Education as the North Dakota University System and to require the University System to develop a strategic plan which defines University System goals and objectives and to provide an annual performance and accountability report regarding performance and progress toward the goals and objectives.

The 2001 Legislative Assembly also adopted Senate Bill No. 2042, which was recommended by the 1999-2000 interim Higher Education Committee, to amend and repeal statutes relating to the powers of the State Board of Higher Education and the duties and responsibilities of institutions under the control of the State Board of Higher Education which were no longer appropriate.

2001-02 Study

The Higher Education Committee during the 2001-02 interim studied the State Board of Higher Education's implementation of the performance and accountability measures report. The committee through the use of a Higher Education Roundtable consisting of 22 members of the Higher Education Committee and 44 representatives from the State Board of Higher Education, business and industry, higher education institutions, including tribal colleges and private colleges, and the executive branch reviewed plans for and accomplishments relating to the recommendations of the 1999-2000 Higher Education Roundtable, reviewed the state's New Economy Initiative and its linkage to the Higher Education Roundtable cornerstones and recommendations, and developed high-priority action items concerning higher education in North Dakota. The committee also reviewed the University System's long-term financing plan and resource allocation model approved by the State Board of Higher Education and the University System's first annual performance and accountability report. A listing of high-priority action items from the Higher Education Roundtable is attached as Appendix C.

The committee recommended the following bills regarding higher education funding:

- House Bill No. 1039 (2003), which as introduced provided for the continuation of the continuing appropriation authority for higher

education institutions' special revenue funding, including tuition.

- House Bill No. 1040 (2003), which as introduced provided for the continuation of the University System's authority to carry over at the end of the biennium unspent general fund appropriations.
- House Bill No. 1041 (2003), which as introduced continued the requirement that the budget request for the University System include budget estimates for block grants for a base-funding component and for an initiative-funding component and a budget estimate for an asset-funding component, and the requirement that the appropriation for the University System include block grants for a base-funding appropriation and for an initiative-funding appropriation and an appropriation for asset funding.
- House Bill No. 1042 (2003), which as introduced required the University System performance and accountability report to include an executive summary and specific information regarding education excellence, economic development, student access, student affordability, and financial operations.

2003 Legislation

The 2003 Legislative Assembly amended House Bill No. 1003 to:

Provide that the State Board of Higher Education's performance and accountability report as required by North Dakota Century Code (NDCC) Section 15-10-14.2 should include an executive summary and information regarding:

1. Education excellence, including:
 - a. Student performance on nationally recognized exams in their major fields compared to the national averages.
 - b. First-time licensure pass rates compared to other states.
 - c. Alumni-reported and student-reported satisfaction with preparation in selected major, acquisition of specific skills, and technology knowledge and abilities.
 - d. Employer-reported satisfaction with preparation of recently hired graduates.
 - e. Biennial report on employee satisfaction relating to the University System and local institutions.
 - f. Ratio of faculty and staff to students.
 - g. Student graduation and retention rates.
2. Economic development, including:
 - a. Enrollment in entrepreneurship courses and the number of graduates of entrepreneurship programs.
 - b. Percentage of University System graduates obtaining employment appropriate to their education in the state.
 - c. Number of businesses and employees in the region receiving training.
3. Student access, including:
 - a. 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.
 - b. Number and proportion of enrollments in courses offered by nontraditional methods.
4. Student affordability, including:
 - a. Tuition and fees on a per student basis compared to the regional average.
 - b. Tuition and fees as a percentage of median North Dakota household income.
 - c. Cost per student in terms of general fund appropriations and total University System funding.
 - d. Administrative, instructional, and other costs per student.
 - e. Per capita general fund appropriations for higher education.
 - f. State general fund appropriation levels for University System institutions compared to peer institutions general fund appropriation levels.
5. Financial operations, including:
 - a. Percentage of total University System funding used for instruction, research, and public service.
 - b. Percentage of total University System funding used for institutional support, operations, and maintenance of physical plant.
 - c. Ratio measuring the funding derived from operating and contributed income compared to total University System funding.
 - d. Deferred maintenance ratio measuring the size of the University System's outstanding maintenance as compared to its expendable net assets.
 - e. Viability ratio measuring the amount of expendable net assets as compared to the amount of long-term debt.
 - f. Research expenditures in proportion to the amount of revenue generated by research activity and funding received for research activity.
 - g. New construction and major renovation capital projects for which specific appropriations are made, including budget to actual comparison, use of third-party funding, and related debt.

This legislative action, which was originally a provision in 2003 House Bill No. 1042, as introduced, is effective through June 30, 2005.

- Provide a continuing appropriation of higher education institutions' special revenue funds, including tuition and local funds through June 30, 2005. This legislative action, which was originally a provision in 2003 House Bill No. 1039, as introduced, is effective through June 30, 2005.
- Require the budget requests for the University System to include budget estimates for block grants for a base-funding component and for an initiative-funding component and a budget estimate for an asset-funding component. This legislative action, which was originally a provision in 2003 House Bill No. 1041, as introduced, is effective through June 30, 2005.
- Require the appropriation for the University System to include block grants to the State Board of Higher Education for a base-funding appropriation and for an initiative-funding appropriation and an appropriation for asset funding. This legislative action, which was originally a provision in 2003 House Bill No. 1041, as introduced, is effective through June 30, 2005.
- Allow institutions of higher education to carry over at the end of the biennium unspent general fund appropriations through June 30, 2005. This was originally a provision in 2003 House Bill No. 1040, as introduced.

STUDY PLAN

The following is a proposed study outline for the committee's consideration in its study of higher education:

1. Receive information from business, industry, the State Board of Higher Education, the institutions of higher education, higher education students, the executive branch, and private and tribal higher education institutions regarding:

- a. The implementation status of the 1999-2000 interim Higher Education Roundtable recommendations and the 2001-02 interim Higher Education Roundtable high-priority action items.
- b. The refinement of the expectations of the North Dakota University System in meeting the state's needs in the 21st century, the funding methodology needed to meet those expectations and needs, and the accountability system and reporting methodology for the University System.

(Consider a Higher Education Roundtable process.)

2. Receive a report from representatives of the State Board of Higher Education, the University System office, and higher education institutions on the State Board of Higher Education's implementation of the performance and accountability measures report required by NDCC Section 15-10-14.2.
3. Conduct a budget tour and site visit at each of the higher education institutions and receive information from campus representatives regarding the status of implementation of recommendations from the 1999-2000 interim Higher Education Roundtable report and the high-priority action items from the 2001-02 interim Higher Education Roundtable, enrollment status and long-term enrollment plans, tuition rates, and capital improvement needs.
4. Receive testimony from other interested persons regarding the committee's study of higher education.
5. Develop recommendations and any bill drafts necessary to implement the recommendations.
6. Prepare a final report for submission to the Legislative Council.

ATTACH:3

- f. Research expenditures in proportion to the amount of revenue generated by research activity and funding received for research activity.
- g. New construction and major renovation capital projects for which specific appropriations are made, including budget to actual comparison, use of third-party funding, and related debt.

SECTION 19. GENERAL FUND TRANSFER. The industrial commission shall transfer to the general fund the sum of \$14,258,969 from the North Dakota student loan trust. The moneys must be transferred as requested by the director of the office of management and budget during the biennium beginning July 1, 2003, and ending June 30, 2005, and upon certification by the student loan trust trustee that sufficient moneys remain available to pay all debt service on student loan trust bonds, all required rebate payments to the United States treasury, and all program operating expenses.

SECTION 20. COMPETITIVE RESEARCH. The competitive research line item in subdivision 1 of section 1 of this Act includes \$100,000 for public private partnership for establishment of a design center at the university of North Dakota. Federal and private matching funds totaling \$300,000 must be leveraged by the North Dakota university system prior to June 30, 2004, or the funding is to be made available to other competitive research initiatives.

SECTION 21. CENTERS FOR EXCELLENCE. The centers for excellence line item in subdivision 1 of section 1 of this Act includes \$1,150,000 for the John D. Odegard center for aerospace science - center of excellence in multimedia technology and \$400,000 is for future centers for excellence. Of the \$1,150,000, \$206,000 is for the expanded air service enterprise - upper great plains air taxi service. Federal matching funding relating to the expanded air service enterprise - upper great plains air taxi service must be leveraged by the North Dakota university system before June 30, 2004, or the funding is to be made available for other centers for excellence. The funding for future centers for excellence is to be distributed by the state board of higher education. The funds provided in this section may not be used to supplant funding for current operations or academic instruction or to pay indirect costs.

SECTION 22. EDUCATION INCENTIVE PROGRAMS. The funding appropriated for education incentive programs may be allocated to education incentive programs as determined by the state board of higher education, including the reduction or elimination of specific programs, and the state board of higher education may determine the appropriate number of years of program eligibility for each education incentive program.

SECTION 23. TRANSFER AUTHORITY. If, during the biennium beginning July 1, 2003, and ending June 30, 2005, the state board of higher education determines that funds allocated to institution operations in section 1 of this Act are needed for capital projects or extraordinary repairs, the board may transfer funds from operations to capital assets. The board shall report any transfer of funds under this section to the office of management and budget.

SECTION 24. LEGISLATIVE COUNCIL STUDY - HIGHER EDUCATION. The legislative council shall consider continuing the study of higher education during the 2003-04 interim. If conducted, the study may include the use of the higher education roundtable format. The study should further refine the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet those expectations and needs, and the accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 25. CONSTRUCTION OF BASKETBALL ARENA - APPROVAL. The state board of higher education may approve amendments to terms of the agreement entered under chapter 159 of the 1999 Session Laws and may authorize the construction of a basketball arena on the site authorized under that legislation for the university of North Dakota to be financed with private funds.

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.

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.

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.

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.

HIGHER EDUCATION ROUNDTABLE HIGH-PRIORITY ACTION ITEMS

The following is a summary listing of the high-priority action items developed by the Higher Education Roundtable by cornerstone:

ECONOMIC DEVELOPMENT CONNECTION

1. Review existing state laws and procedures to determine if the laws and procedures are sufficient to protect the privacy and confidentiality of the information of business and industry in partnership with the North Dakota University System, and if not, request that legislation be developed and provided to the interim Higher Education Committee. (Responsibility: Economic Development Connection Task Force)
2. Endorse the New Economy Initiative's statewide talent pool strategy and the following related five strategic statements:
 - a. Attract and embrace a more diverse workforce that targets innovation and technology and other careers identified by the needs assessment tool.
 - b. Utilize the assets of colleges and universities in attracting and retaining a new economy workforce.
 - c. Develop an aggressive marketing campaign promoting North Dakota's "quality of place."
 - d. Expand workforce training and lifelong learning to match North Dakota's current workforce to new economy opportunities and move to a high-value workforce.
 - e. Become a national model for providing rural preschool through postsecondary education and lifelong learning.

(Responsibility: State Board of Higher Education, higher education institutions, Legislative Assembly, executive branch, private sector)

EDUCATION EXCELLENCE

1. Continue a strong emphasis on making and keeping faculty salaries competitive. (Responsibility: State Board of Higher Education, higher education institutions)
2. Begin to conceptualize and develop an approach to kindergarten through postsecondary education using a roundtable approach. (Responsibility: State Board of Higher Education, higher education institutions, kindergarten through grade 12)
3. Encourage and strongly support emphasis on experiential learning, including the inclusion of students with faculty in applied research and other problem-solving activities. (Responsibility: State Board of Higher Education, higher education institutions)

4. Enhance emphasis on research as a means to attract and retain faculty. (Responsibility: State Board of Higher Education, higher education institutions)
5. Consider the establishment of an enhanced state scholarship program. (Responsibility: State Board of Higher Education, higher education institutions)

FLEXIBLE AND RESPONSIVE SYSTEM

1. Continue and expand the flexibility granted to the North Dakota University System. (Responsibility: Legislative Assembly, State Board of Higher Education)
2. Colleges and universities and the Department of Commerce must continue to establish strategic alliances with state government, businesses and industries, community groups, and federal entities. (Responsibility: State Board of Higher Education, higher education institutions, executive branch)
3. Examine the balance between competition and cooperation in the North Dakota University System and provide mechanisms for guidance. (Responsibility: State Board of Higher Education, higher education institutions)

ACCESSIBLE SYSTEM

1. Develop partnerships to ensure students leave kindergarten through grade 12 with the knowledge and skills necessary to function effectively as college and university students. (Responsibility: State Board of Higher Education, higher education institutions, kindergarten through grade 12)
2. Encourage higher education institutions to become more approachable and to provide more assistance to enable older than average students to further their education and skills development. (Responsibility: State Board of Higher Education, higher education institutions)
3. Enhance marketing efforts for recruitment purposes, including informing the public and customers of programs available and program successes. (Responsibility: North Dakota University System, Legislative Assembly)

FUNDING AND REWARDS

1. Identify strategies for maximizing campus utilization. (Responsibility: State Board of Higher Education, higher education institutions, private sector)
2. Continue to enhance campus entrepreneurship and partner with state and federal government, private sector, and other entities.

- (Responsibility: State Board of Higher Education, higher education institutions, private sector)
3. Ensure that focus and rewards are consistent with established North Dakota University System and higher education institutions' goals. (Responsibility: State Board of Higher Education, higher education institutions)
 4. Continue higher education special revenue funds continuing appropriation authority, higher education budget requests, budget estimates, and appropriation legislation, and higher education appropriation carryover legislation passed by the 2001 Legislative Assembly. (Responsibility: Legislative Assembly, executive branch, private sector)

SUSTAINING THE VISION

1. Continue the roundtable concept by retaining the structure of the membership and holding annual meetings. (Responsibility: Legislative Council)
2. Develop a clear and concise message of the roundtable which explains the roundtable benefits. (Responsibility: North Dakota University System)
3. "Tell the story" by broadening and intensifying the message to the following:
 - a. General public.
 - b. Business community.
 - c. Legislative Assembly.
 - d. Media.
 - e. North Dakota University System faculty.
 - f. Kindergarten through grade 12.(Responsibility: State Board of Higher Education, higher education institutions, Legislative Assembly, executive branch, private sector)