

Creating a University System
for the 21st Century

2007 Accountability Measures Report



December 2007

NORTH DAKOTA
UNIVERSITY SYSTEM

The Vital Link to a Brighter Future

The Role of the State Board of Higher Education

The State Board of Higher Education is the governing board of the North Dakota University System.

Our Vision

The North Dakota University System is the vital link to a brighter future.

Our Mission

The mission of the North Dakota University System is to enhance the quality of life of all those we serve and the economic and social vitality of North Dakota through the discovery, sharing and application of knowledge.

Core Values of the North Dakota University System

- High integrity
- Open, honest, forthright and mutually respectful in discussion and actions
- Trustworthy
- Accountable
- Cooperative, valued partner with other state agencies and entities
- Responsible stewards of the state investment in the University System
- Scholarship and the pursuit of excellence in the discovery, sharing and application of knowledge
- Support and embrace diversity



The Vital Link to a Brighter Future

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About This Report

The North Dakota University System is pleased to provide you its *2007 Accountability Measures Report*. This document is a valuable tool for demonstrating that the University System is meeting the “flexibility with accountability” expectations of SB 2003 passed by the 2001 Legislative Assembly and updated in each subsequent legislative session.

The 2007 report reflects some of the many ways North Dakota University System colleges and universities are developing the human capital needed to create a brighter future for our citizens and state. NDUS institutions are educating future leaders who will provide the talent, energy and innovation to keep North Dakota competitive in today’s knowledge-based economy. That’s what we do, and, as the accountability measures show, we do it well.

That is one-half of the dual mission envisioned for the University System by the Roundtable on Higher Education, which also charged the NDUS with enhancing the state’s economy. Here, too, the system has stepped up to the plate. According to a separate report¹, in 2006, the University System contributed an estimated \$3.1 billion to our state’s economy, including student spending.

Development of the annual accountability measures report is a direct result of the creation of new relationships among the legislative and executive branches of government, the private sector and the University System. These relationships are based on mutual trust and a common purpose – creating a brighter future for students and the citizens of North Dakota. These new relationships grew out of recommendations from the Roundtable on Higher Education starting in 1999-2000 when members were charged with defining expectations and accountability measures for the system.

First, roundtable members created an overall goal and a set of expectations associated with each of six cornerstones. Then they examined how to determine if these expectations had been met, or, in other words, how progress would be measured. It was from this process that the performance accountability measures

emerged as a means of measuring progress on roundtable expectations and recommendations. The fiscal accountability measures were developed by a separate group representing the private sector and the legislative and executive branches of government. This group identified measures upon which they could judge the financial viability and spending decisions of the NDUS.

Passage of SB 2003 in 2001 signaled that the University System can and should play a larger role in enhancing the economic and social vitality of North Dakota, as envisioned by the Roundtable on Higher Education. Simply put, the 2001 version of SB 2003 empowered the system to act more entrepreneurially and, at the same time, provided consensus about what it will be held accountable for. Hence, it often is referred to as the “flexibility with accountability” legislation. This approach has been affirmed in subsequent legislative sessions.

As planned in the original project timeline, the 2005 report provided refinements to the accountability measures reporting system implemented in 2001. These refinements resulted in a net reduction of six accountability measures, bringing the total number of measures included in the 2005 report to 31 and creating a report that more succinctly represents the intent of its creators. The 2007 report is a continuation of this format.

From the beginning, the University System has been firmly committed to meeting these accountability expectations, and the annual accountability measures report is a tool by which the system’s performance can be measured. These reports also provide valuable information for state policymakers, the State Board of Higher Education and University System colleges and universities to continually improve the quality and efficiency of education and services provided. While the accountability system was developed in response to legislative action, its greatest value may be as a management tool within the University System.

In addition to the changes made in 2005 as described on the previous page, like many groundbreaking initiatives, other enhancements and adaptations have been made over the years. Those worthy of notation include:

- In addition to the legislatively mandated measures, the SBHE added 12 accountability measures in 2001. The board deemed these measures necessary to provide guidance in establishing effective policy for the 11 University System colleges and universities.
- Several fiscal accountability measures were modified in 2002 because of changes in the Governmental Accounting Standards Board's financial reporting standards. As a result, the 2007 report includes the fifth year of data for these measures.
- Wherever possible, national comparative data is provided. Because a national employer satisfaction survey did not exist, in 2004 the NDUS initiated development of an employer survey and partnered with a national firm and other states in the creation and piloting of a survey instrument. The 2004 report included responses to two new employer satisfaction measures and established baseline data for the NDUS and the beginning of national benchmarks.

Also, as comprehensive as the accountability measures are, they may not provide a full sense of the dramatic changes occurring at the colleges and universities. To complement these measures, this report includes highlights of 2007 campus activities aligned with the cornerstones of the *Roundtable Report* on Pages 53–59. These highlights are examples of the fundamental changes taking place on a day-to-day basis, all of which contribute to the success demonstrated in these measures.

Both the legislatively mandated accountability measures and the board-required measures are organized and numbered according to the cornerstones of the *Roundtable Report*. The origin of each measure is noted in smaller type below the measure number in the body of the text. The six cornerstones of the *Roundtable Report*, combined with the clearly defined and agreed-upon accountability measures, provide a useful framework for focusing the assets of the University System on the high-priority needs of the state.

Although the sixth cornerstone titled “Sustaining the Vision” is integral to the development of a university system for the 21st century, no accountability measures fall specifically under that category. In a broad sense, all accountability measures are aimed at sustaining the vision. It's important to note that two key components of this cornerstone now are being carried out: implementation of a University System strategic plan and campus plans tied to *Roundtable Report* recommendations and implementation of a communication plan for sustaining the vision.

It's also important to note that the Roundtable on Higher Education emphasizes the value of celebrating successes. To those involved in the process of accountability measures reporting, it is an accomplishment worthy of celebration. The State Board of Higher Education and the North Dakota University System hope the *2007 Accountability Measures Report* not only meets, but exceeds, your expectations.

Thank you to the many University System employees who have contributed to this report.

¹ *Economic Impact of the North Dakota University System*, F. Larry Leistritz and Randall C. Coon, Department of Agribusiness and Applied Economics, North Dakota State University, Fargo, N.D.

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An Executive Summary

The Roundtable on Higher Education, a group of state leaders from the public and private sectors, established new expectations for the North Dakota University System. In addition to providing high-quality education, roundtable members charged the NDUS with playing a major role in revitalizing North Dakota's economy.

Roundtable members also identified key cornerstones on which to build a university system for the 21st century. They developed accountability measures, which then were established in legislation and now are being used to determine how well roundtable expectations are being met. Accordingly, the *2007 Accountability Measures Report* is organized by the roundtable cornerstones.

Overall, the colleges and universities that make up the North Dakota University System perform very well when compared to other states and national standards.

A summary of the findings follows.

Cornerstone 1: Economic Development Connection

- NDUS institutions offer 38 entrepreneurship courses and two entrepreneurship programs. In the past year, 1,064 students enrolled in entrepreneurship courses, and 17 students graduated from entrepreneurship programs. An additional 573 participants attended a workshop that provided an entrepreneurial focus.
- Research grew by 27 percent during the past four years with \$116.7 million in research expenditures in FY 2007. Research expenditures comprised 15.3 percent of total NDUS expenditures in FY 2007, compared to 15.1 percent in FY 2003.
- The number of businesses using North Dakota's workforce training system to provide training for their employees increased 250 percent between FY 2000 and FY 2005. The number decreased between FY 2005 and FY 2006 as a result of completing a major training contract. However, both

the number of businesses served (1,595) and the number of employees trained (10,594) increased in 2007.

- Businesses reported a 99.1 percent workforce training satisfaction level for FY 2007. Employees participating in training reported a satisfaction level of 99.6 percent during the same period.
- About 72 percent of the graduates who remained in North Dakota were employed in occupations related to their education or training.

Cornerstone 2: Education Excellence

- NDUS college or university students meet or exceed the national average on most nationally recognized exams.
- NDUS college and university graduates exceed the national first-time licensure pass rates for most professions measured.
- NDUS students are, in general, satisfied with their college experience. Results of the Student Satisfaction Inventory (SSI) show NDUS colleges and universities are meeting students' expectations in most areas.
- 71.7 percent of NDUS alumni said their current jobs were highly related or moderately related to the most recent degrees they earned, and 80.4 percent said the college or university they attended prepared them at least adequately for their current jobs.
- Based on a survey regarding NDUS college and university graduates, employers are, on average, "very satisfied" with the skills and knowledge they rated as "very important."
- Many non-completing students who left NDUS institutions did so because they wanted to attend other colleges or universities (38.2 percent). Some students left either because they moved to (or were transferred to) new locations or because they believed the majors they wanted were not offered at the institutions they attended.

Cornerstone 3: Flexible and Responsive System

- In FY 2007, companies reported a 99.5 percent satisfaction level with responsiveness of the workforce training system in North Dakota to requests for training.

Cornerstone 4: Accessible System

- In Fall 2007, the NDUS served 14,902 students who enrolled in courses for credit through non-traditional delivery methods. These students comprised 36 percent of the system's total headcount enrollment. Enrollment by students who take courses in a variety of non-traditional delivery methods has increased 158 percent since Fall 2002.
- Tuition and fees at UND, NDSU and MiSU were less than regional counterparts. The average rates at the four-year universities were about the same as regional counterparts, and the average two-year college rate was higher than the regional average.
- Tuition and fees, as a percentage of median North Dakota household income, were slightly higher than the regional average, with the greatest difference occurring at two-year colleges.
- The Fall 2007 NDUS part-time and full-time degree credit headcount enrollment of 41,827 was slightly lower than the Fall 2006 enrollment. (*Fall 2007 Enrollment Report*)
- Beginning freshmen enrollment decreased slightly from 7,075 in Fall 2006 to 7,074 in Fall 2007. Enrollment of non-traditional students increased 13.7 percent between Fall 2003 and Fall 2007. The number of students enrolled in graduate and first professional programs has increased 23.5 percent since Fall 2003.

Cornerstone 5: Funding and Rewards

- In FY 2003, general fund appropriations provided 32 percent of the total NDUS revenues. In FY 2007, the general fund share was 27 percent.
- Based on 2005–07 state funding levels, all NDUS institutions are funded at less than 100 percent of their peer institution benchmarks, and most are funded at less than 85 percent of their peer benchmarks. NDUS institutions, as a whole, are funded at an average of 51 percent of their peer institution benchmarks.

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An Overview of the North Dakota University System

The North Dakota University System (NDUS) is a unified system of higher education governed by one board. The system includes two doctoral universities, two master's-level universities, two bachelor's-level universities and five two-year colleges that offer associate and trade/technical degrees.

Bismarck State College (BSC)

Located in Bismarck, N.D., BSC is a comprehensive community college. BSC provides student-centered learning in these areas: transfer courses, technical programs, online classes and degree programs, continuing education and workforce training. Educational opportunities range from short-term, non-credit courses to advanced degrees offered in cooperation with other colleges and universities.

Degrees: Diploma, certificate and associate degree programs and a bachelor of applied science degree in energy management

Fall 2007 Enrollment: 3,591

Telephone: 1.800.445.5073 or 701.224.5400

Web site: www.bismarckstate.edu

Dickinson State University (DSU)

Located in Dickinson, N.D., DSU is a comprehensive university that combines a wide array of strong academic programs with an intimate and caring college environment. In addition to a wide range of bachelor's degree programs in teacher education, business, computer science, agriculture, nursing and liberal arts, DSU offers associate degree programs.

Degrees: Certificate, associate and bachelor's degree programs

Fall 2007 Enrollment: 2,670

Telephone: 1.800.279.4295 or 701.483.2175

Web site: www.dickinsonstate.com

Lake Region State College (LRSC)

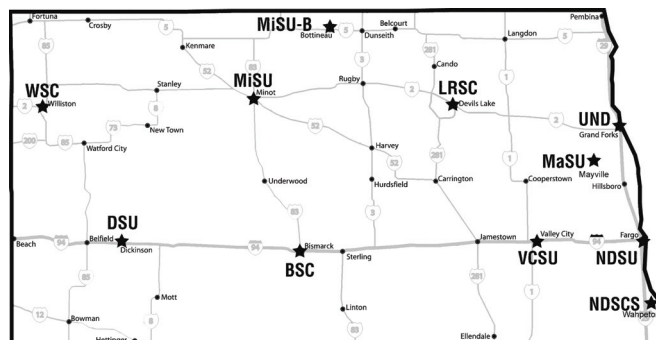
Located in Devils Lake, N.D., LRSC is a two-year comprehensive community college. LRSC offers academic, transfer, career and technical education courses and programs; online courses and degrees; continuing education; workforce training; and educational outreach opportunities.

Degrees: Diploma, certificate and associate degree programs

Fall 2007 Enrollment: 1,520

Telephone: 1.800.443.1313 or 701.662.1600

Web site: www.lrsc.nodak.edu



Mayville State University (MaSU)

Located in Mayville, N.D., MaSU is a small university known for teacher education and many warm, personal touches. Among MaSU's 74 programs of study, teacher education, business administration and computer information systems are the most popular. A national leader in the application of technology to the classroom, MaSU was the first U.S. college to issue Tablet PC notebook computers to all students.

Degrees: Certificate, associate and bachelor's degree programs

Fall 2007 Enrollment: 769

Telephone: 1.800.437.4104 or 701.788.4842

Web site: www.mayvillestate.edu

Minot State University (MiSU)

Located in Minot, N.D., MiSU is a mid-size university founded as a normal school in 1913. MiSU is a leader in teacher education certification, which may be earned in nearly 20 majors. The university has evolved into a comprehensive institution to meet growth in fields such as criminal justice, psychology, computer science, management, accounting, nursing, communication disorders, social work, management information systems and marketing. Distance education courses are offered by: off-site classes in Bismarck, West Fargo, Williston, Devils Lake and Minot Air Force Base; online; and correspondence.

Degrees: Associate, bachelor's, master's and education specialist degrees and certificate programs

Fall 2007 Enrollment: 3,424

Telephone: 1.800.777.0750 or 701.858.3000

Web site: www.minotstateu.edu

Minot State University-Bottineau (MiSU-B)

Located in Bottineau, N.D., MiSU-B offers programs in the natural resources, as well as business and transfer curriculums. Students come from throughout the United States and Canada to study in programs such as forestry, horticulture and wildlife management.

Degrees: Diploma, certificate and associate degree programs

Fall 2007 Enrollment: 637

Telephone: 1.800.542.6866 or 701.228.2277

Web site: www.misu-b.nodak.edu

North Dakota State College of Science (NDSCS)

Located in Wahpeton, N.D., NDSCS is a comprehensive two-year college that offers career and transfer options in the applied sciences, technologies, health, business and transportation fields and the liberal arts. It also provides customized training for North Dakota businesses and industries. Outstanding facilities, individual attention and traditionally high job placement are keys to success at NDSCS.

Degrees: Diploma, certificate and associate degree programs

Fall 2007 Enrollment: 2,417

Telephone: 1.800.342.4325 or 701.671.2202

Web site: www.ndscs.edu

North Dakota State University (NDSU)

Located in Fargo, N.D., NDSU is North Dakota's original land-grant university. While both the university and its statewide role have expanded, the mission of teaching, research and public service is essentially the same today as it was more than 110 years ago when the university was created. NDSU's land-grant heritage includes an active statewide presence through the NDSU Extension Service and regional research extension centers.

Degrees: Certificate, bachelor's, master's and doctoral degree programs

Fall 2007 Enrollment: 12,527

Telephone: 1.800.488.6378 or 701.231.8643

Web site: www.ndsu.edu

University of North Dakota (UND)

Located in Grand Forks, N.D., and founded in 1883, UND is one of the largest and most diversified universities in the Upper Midwest. UND is characterized by a solid foundation in the liberal arts; a comprehensive array of colleges and schools (including law and medicine); high-quality students and faculty; a varied curriculum; a commitment to graduate education, research and service; a campus environment rich in cultural resources and an outstanding record of alumni support.

Degrees: Certificate, bachelor's, master's and doctoral degree programs

Fall 2007 Enrollment: 12,559

Telephone: 1.800.225.5863 or 701.777.4463

Web site: www.und.edu

Valley City State University (VCSU)

Located in Valley City, N.D., VCSU is known for using technology to enhance the learning experience by providing universal access to notebook computers and classrooms equipped with the latest educational technology. Areas of study include teacher education, science, business, information technology, mathematics, physical education, communication arts and fine arts.

Degrees: Certificate, bachelor's and master's degree programs

Fall 2007 Enrollment: 982

Telephone: 1.800.532.8641 or 701.845.7101

Web site: www.vcsu.edu

Williston State College (WSC)

Located in Williston, N.D., WSC is a two-year comprehensive community college. WSC offers programs for academic, transfer, vocational-occupational training and community services.

Degrees: Diploma, certificate and associate degree programs

Fall 2007 Enrollment: 731

Telephone: 1.888.863.9455 or 701.774.4200

Web site: www.wsc.nodak.edu

In Other Words

Terms used in this report include:

ACCESS: The NDUS Web site for distance education courses is located at *www.access.ndus.edu*.

Adjusted Graduation Rate: An adjusted graduation rate includes a percentage of the cohort who graduated from any postsecondary institution within three years at a two-year college or six years at a four-year university.

AY: An academic year includes three consecutive semesters: summer, fall and spring.

ConnectND: ConnectND is the North Dakota University System's implementation of Oracle's Peoplesoft administrative software system, including student administration, finance, human resources and other related ancillary systems.

FINDET: Follow-up Information on North Dakota Education and Training is a consortium of seven state agencies formed to provide information regarding the status of graduates and program completers of NDUS educational institutions.

FTE Student: Full-Time Equivalent student describes the total student credit hours per campus per semester divided by 15 credit hours for undergraduate students or 12 credit hours for graduate students. Each professional-level student is counted as one FTE. (FTEs are defined differently for national and regional comparison purposes in Accountability Measures AS2 and AS3.)

FY: A fiscal year includes July 1 through June 30.

HECN: The Higher Education Computer Network provides infrastructure and client services in support of system-wide services, such as ConnectND, the Interactive Video Network (IVN), On-line Dakota Information Network (ODIN), the customer services helpdesk and communication network-related activities.

IPEDS: The Integrated Postsecondary Education Data System is a system of surveys designed to collect data from all primary providers of postsecondary education.

IVN: The Interactive Video Network supports videoconferencing, audioconferencing and collaborative teaching technologies designed to improve learning and information access for the North Dakota University System.

NDUS: The North Dakota University System is a unified, statewide higher education system that includes 11 colleges and universities governed by the State Board of Higher Education. A chancellor serves as the chief executive officer of the board and the University System.

ODIN: The Online Dakota Information Network operates a computer-based library catalog and management system for North Dakota University System libraries and other libraries in the state, coordinates cooperative purchasing of databases licensed for all North Dakota libraries, operates software to enable the sharing of materials among libraries in the state and facilitates shared purchasing of online books, magazines and journals for North Dakota libraries.

OMB: The Office of Management and Budget provides a number of administrative functions and services to the state of North Dakota, including accounting, budgeting, payroll, financial reporting, facility management, human resources, risk management, central duplicating, state procurement, surplus property and central supply.

SBHE: The State Board of Higher Education is the governing body for the North Dakota University System.

Economic Development Connection

Direct connections and contributions of the University System to the economic growth and social vitality of North Dakota

Entrepreneurship Program Enrollment and Graduates

Measure ED1

(Legis 2.a.)

Enrollment in entrepreneurship courses and the number of graduates of entrepreneurship programs

Do NDUS students enroll in entrepreneurship courses and graduate from entrepreneurship programs?

NDUS institutions offer 38 entrepreneurship courses and two entrepreneurship programs. In the past year, 1,064 students enrolled in entrepreneurship courses, and 17 students graduated from entrepreneurship programs. An additional 573 participants attended a workshop that provided an entrepreneurial focus.

About This Measure

NDUS institutions are responding to Roundtable on Higher Education and legislative expectations to offer entrepreneurial programs and courses. In the past year, 1,064 students enrolled in entrepreneurship courses, and 17 students graduated from entrepreneurship programs. In addition to two programs, NDUS institutions offer 38 courses in entrepreneurship with at least one course at each campus. Many other courses now integrate entrepreneurship principles along with other course content.

In the spring of 2007, 573 participants attended an entrepreneurship seminar sponsored by DSU. This seminar was open to students and the general public.

Entrepreneurship Offerings

AY 2005–06

Courses:	38
Enrollments ¹ :	1,064
Programs:	2
Graduates:	17
Seminars/Workshops:	1
Participants ¹ :	573

¹ Headcount

Employment Related to Education

Measure ED2

(Legis 2.b.)

Percentage of University System graduates obtaining employment appropriate to their education in the state

About This Measure

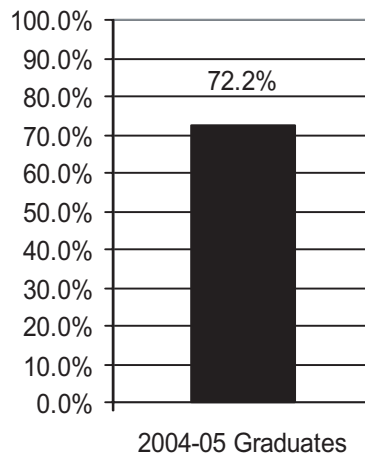
In cooperation with Job Service North Dakota, the FINDET office (Follow-up on North Dakota Education and Training) surveyed employers of 2004-05 NDUS graduates/completers in 2006, or one year after graduation. The graduates/completers' occupations were compared to their programs of study using Department of Labor Standard Occupational Classification (SOC) codes and the standardized national Classification of Instructional Program (CIP) codes for categorizing programs in higher education.

Of the 2004-05 graduates/completers employed in North Dakota, 72.2 percent were employed in occupations related to the education or training they received at a North Dakota University System college or university. Seventy-four percent of the graduates/completers were employed in North Dakota on a full-time basis, and the remaining 26 percent were employed part-time.

Since this is the first year the responses for graduates/completers working full-time and part-time have been combined, the 2006 survey results provide the baseline for future trend analysis. No national comparisons are available for this measure.

By using SOC and CIP codes and partnering with Job Service North Dakota, FINDET offers a reliable, comparatively inexpensive and unbiased way to follow up on graduates/completers. At the present time, however, this methodology only provides information about graduates/completers employed in North Dakota. Options for obtaining reliable and affordable information about those employed in other states are being explored for future reporting.

2004-05 NDUS Graduates Employed in Their Field of Study in North Dakota (Summer 2006)



What percentage of NDUS college and university graduates who stay in the state find employment appropriate to their education?

About 72 percent of the 2004-05 graduates/completers who remained in North Dakota in 2006 were employed in occupations related to their education or training.

Workforce Training

Measure ED3

(Legis 2.c.)

Number of businesses and employees in the region receiving training

How well is North Dakota's workforce training system responding to the training needs of employers?

The number of businesses using North Dakota's workforce training system to provide training for their employees increased 250 percent between FY 2000 and FY 2005. The number decreased between FY 2005 and FY 2006 as a result of completing a major training contract. However, both the number of businesses served (1,595) and the number of employees trained (10,594) increased in 2007.

About This Measure

Workforce training system performance results are available for FY 2000 through FY 2007. These results demonstrate responsiveness by the workforce training system to a strong demand for workforce training in the state.

For example, 518 businesses received training through this system in FY 2000. The number rose to 1,818 in FY 2005. The unusually high number of businesses served in 2005 was due to a major one-year contract that required training to be provided to several hundred businesses. The number of businesses served returned to more normal levels in 2006 and 2007.

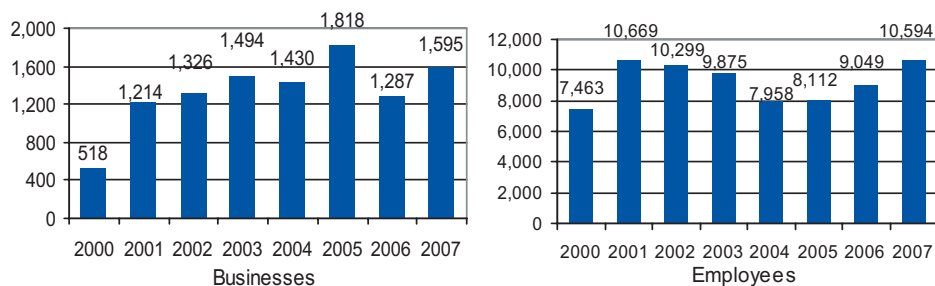
The number of employees who received training increased from 7,463 in FY 2000 to 10,669 in FY 2001. The number declined to 7,958 in FY 2004, but has increased steadily since 2005. These fluctuations in the number of businesses served and employees trained are related to the size and location of the businesses. For example, when training is extended to more rural areas of the state, smaller businesses that have fewer employees may be served.

Workforce training client satisfaction levels are presented in Measure ED5 on Page 7.

The workforce training system resulted from a 31-member statewide task force on workforce development and training formed in 1998 to research "best practices" in other states and to design a more effective workforce training system in North Dakota.

This initiative was coordinated by the North Dakota Chamber of Commerce (formerly the Greater North Dakota Association) and resulted in recommendations for the North Dakota University System and the Legislative Assembly. These recommendations were enacted into legislation during the 1999 Legislative Session.

Workforce Training Provided FY 2000 through FY 2007



Research Expenditures as a Percentage of Total NDUS Expenditures

Measure ED4

(Legis. 5.d.)

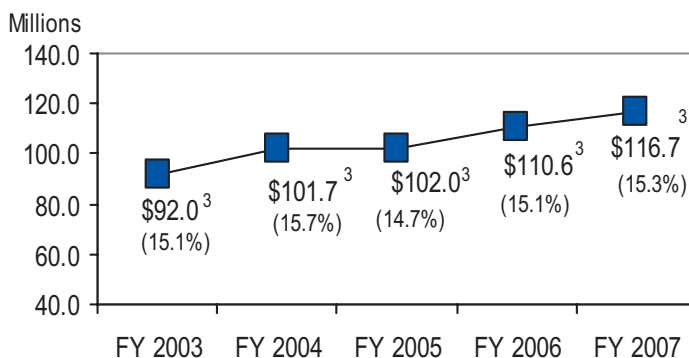
Research expenditures in proportion to the amount of revenue generated by research activity and funding received for research activity

About This Measure

During the past four years, research has grown by 27 percent from \$92 million in FY 2003 to \$116.7 million in FY 2007. In FY 2007, research expenditures were 15.3 percent of total NDUS expenditures, compared to 15.1 percent in FY 2003.

Using the North Dakota Input-Output model developed by economists at NDSU, the FY 2007 research expenditures of \$116.7 million have a direct economic impact of \$327 million on the state, based on a 2.8 multiplier. Additional indirect revenues realized as a result of direct research investments, such as new business spin-offs, are not included in this estimate.

**Research Expenditures¹ as a Percent of Total NDUS Expenditures²
FY 2003 through FY 2007**



What is the level and impact of North Dakota's research investment in higher education?

Research grew by 27 percent during the past four years with \$116.7 million in research expenditures in FY 2007. Research expenditures comprised 15.3 percent of total NDUS expenditures in FY 2007, compared to 15.1 percent in FY 2003.

¹ Research expenditures include pass-through dollars for the NDSU Ag Experiment Stations, Research Centers and Northern Crops Institute from state and federal appropriations and other miscellaneous sources. These funds totaled about \$38.6 million in FY 2003, \$41 million in FY 2004, \$40.4 million in FY 2005, \$41.8 million in FY 2006 and \$41.9 million in 2007.

² Other appropriate methods of reporting research activities exist, such as the method used by the National Science Foundation for the science and engineering fields.

³ Dollar amounts are in millions.

	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Research Exp.	\$92.0	\$101.7	\$102.0	\$110.6	\$116.7
Total Exp.	<u>\$609.6</u>	<u>\$649.8</u>	<u>\$694.5</u>	<u>\$734.1</u>	<u>\$761.2</u>
% of Total	15.1%	15.7%	14.7%	15.1%	15.3%

Data Source: NDUS annual audited financial statements and ConnectND expenditure reports.

Workforce Training Satisfaction

Measure ED5 (SBHE-1)

Workforce training information, including levels of satisfaction with training events as reflected in information systematically gathered from employers and employees receiving training

About This Measure

Both businesses and employees continue to report very high levels of satisfaction with training received through the workforce training system. Through an evaluation of each training event, businesses that contracted for training have consistently reported satisfaction levels above 95 percent, including a 99.1 percent satisfaction level in FY 2007.

Satisfaction of employees also continues to be high. Beginning at 94 percent in 2000, the FY 2007 satisfaction level was 99.6 percent. These numbers include employees who received training through the North Dakota workforce training system by way of contracts with businesses. The numbers also include other individuals who received training through open enrollment, a term used to describe training events not directly financed by business.

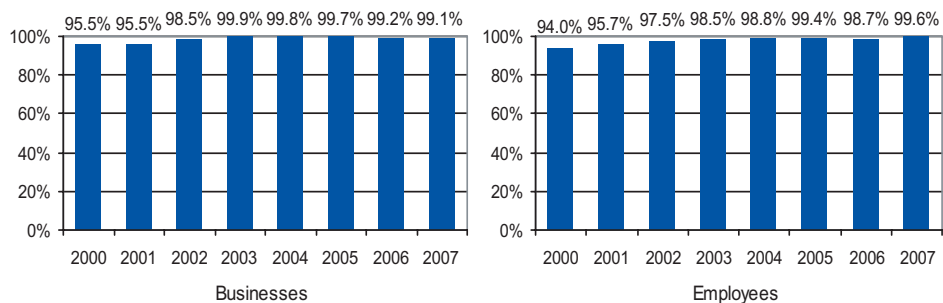
Quality of the workforce – or the availability of a well-educated, highly-skilled workforce – has been identified as the single most important factor that determines the success of business and industry by the National Council for Continuing Education and Training, the National Alliance of Business and various economic development specialists.

The need for a more effective workforce training system to respond to North Dakota’s business and industry needs became apparent by the mid-to-late 1990s. As a result, a new workforce training system was developed for the state. This initiative was coordinated by the North Dakota Chamber of Commerce (formerly the Greater North Dakota Association) and resulted in recommendations for the NDUS and the Legislative Assembly.


What is the level of satisfaction with training?

Businesses reported a 99.1 percent workforce training satisfaction level for FY 2007. Employees reported a satisfaction level of 99.6 percent during the same period.

**Workforce Training Satisfaction Levels
FY 2000 through FY 2007**



Education Excellence



High-quality education and skill development opportunities which prepare students to be personally and professionally successful, readily able to advance and change careers, be life-long learners, good citizens, leaders, and knowledgeable contributing members of an increasingly global, multicultural society

Student Graduation and Retention Rates

Measure EE1

(Legis. 1.f.)

Student graduation and retention rates

About This Measure

Each year, NDUS colleges and universities are required to report graduation rates to the National Center for Educational Statistics using the Integrated Postsecondary Education Data System (IPEDS) Graduation Rate Survey (GRS).

Data for the 2006 GRS was generated by establishment of a cohort (group of all first-time, full-time students) at each institution. Two-year college cohorts entered college in Fall 2005 and were tracked for three years; four-year university cohorts entered college in Fall 2000 and were tracked for six years.

Once a cohort has been established, only a few exceptions, such as military service, an official church mission, Peace Corps service or death, can result in removal of a student from the original cohort. The survey does not take into account students who transfer, then graduate from other institutions; these students are counted as non-completers in GRS. Although it does not impact IPEDS data or GRS results, institutions reported to IPEDS that 113 students in the four-year university student cohort transferred to other institutions, and 127 students in the two-year student cohort transferred to other institutions. This additional information provides a more comprehensive picture of student retention and success.

NDUS two-year colleges reported to IPEDS an average 35.6 percent completion rate, and four-year universities reported an average 46.5 percent rate. This compares to a 2006 national two-year college rate of 32.5 percent and a four-year university rate of 55.8 percent.

NDUS institutions also track the rate at which full-time freshmen return to college the following year. NDUS two-year colleges report a 67.7 percent average rate of freshmen who entered college in Fall 2006 and re-enrolled in Fall 2007, and the four-year universities reported a 70.1 percent rate. This compares to a 51.5 percent national two-year college retention rate and a 76.2 percent four-year institution retention rate for 2005. (2005 NDUS data also are provided for comparison purposes.)

It should be noted, as reported in Measure EE8 on Page 21, not all students intend to earn degrees or earn degrees within the time frames established by IPEDS.

Are NDUS students completing their degrees?

Based on IPEDS-reported graduation rates, 35.6 percent of students who attended NDUS two-year colleges completed degrees within three years, and 46.5 percent of four-year students completed degrees within six years, compared to 32.5 percent and 55.8 percent nationwide.

Graduation Rates 2006

	2-year	4-year
NDUS IPEDS-reported campus graduation rate	35.6%	46.5%
National 2006 ¹ IPEDS-reported graduation rate	32.5%	55.8%

Retention Rates

	National	NDUS	
	2005 *	2005	2006
Two-year colleges	51.5%	64.0%	67.7%
Four-year universities	76.2%	68.0%	70.1%

* The most recent year for which national data are available.

Performance on Nationally Recognized Exams

Measure EE2

(Legis. 1.a.)

Student performance on nationally recognized exams in their major fields compared to the national averages

How well do NDUS students perform on nationally recognized exams?

NDUS college or university students meet or exceed the national average on most nationally recognized exams.

About This Measure

NDUS institutions report student participation in 23 national exams not required for entering a professional field.

One of these exams, the National Council of Examiners for Engineering and Surveying (NCEES), includes several subset exams, such as electrical and civil engineering. NDUS engineering students exceeded the national average in the four NCEES exams included in this report.

Students from six NDUS universities took one or more parts of the four-part certified public accountant (CPA) exam. The system average of 60.3 percent was above the regional average of 58.3 percent.

In general, NDUS students meet or exceed national averages on nationally recognized exams. For privacy and confidentiality purposes, this report does not include results from tests taken by fewer than five students.

The bar graphs on these two pages reflect the most recent data available.

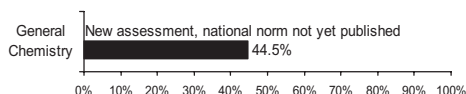
The Pre-Professional Skills Test (PPST) is a national three-part teaching skills test for which each state establishes passing scores. Now called PRAXIS I, this test was offered at all six NDUS universities during the testing period from Sept. 1, 2006, through Aug. 31, 2007. To be admitted to a teacher education program in North Dakota, a student must score within the North Dakota Education Standards and Practices Board's established target range on each of the three parts or score a minimum total of 516 points.

Since PRAXIS I is an entrance exam, not an exit exam, it is not an indication of individual teacher education program quality. Aggregated examination results from the six University System teacher education institutions are summarized in the table below.

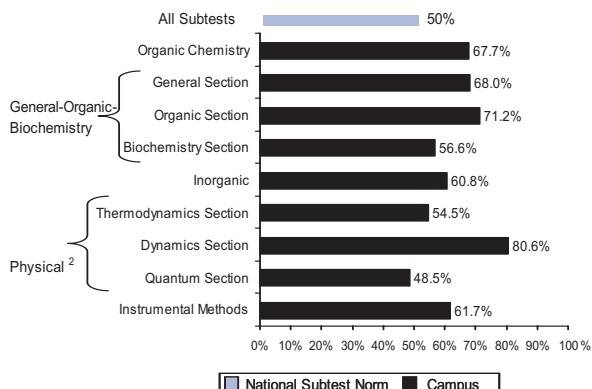
National Chemistry Examination¹

AY 2006–07

Pass Rate



Average Score Percentiles



¹ Results for the general chemistry exam are reported as a pass rate percentage, while all other results report average score percentiles.

² First administration of a new assessment.

PRAXIS I Results*

AY 2006–07

	# Participants	# Passed	Percentage Passing
PPST Mathematics	617	546	88.5
PPST Writing	649	451	69.5
PPST Reading	650	496	76.3

* The data represent prospective NDUS teacher education students seeking to qualify for acceptance to teacher education programs.

PRAXIS: The *Praxis Series* assessments provide tests and other services that states use as part of their teaching licensing certification process.

Performance on Nationally Recognized Exams (continued)

National Examination Reporting by Pass Rate AY 2006-07

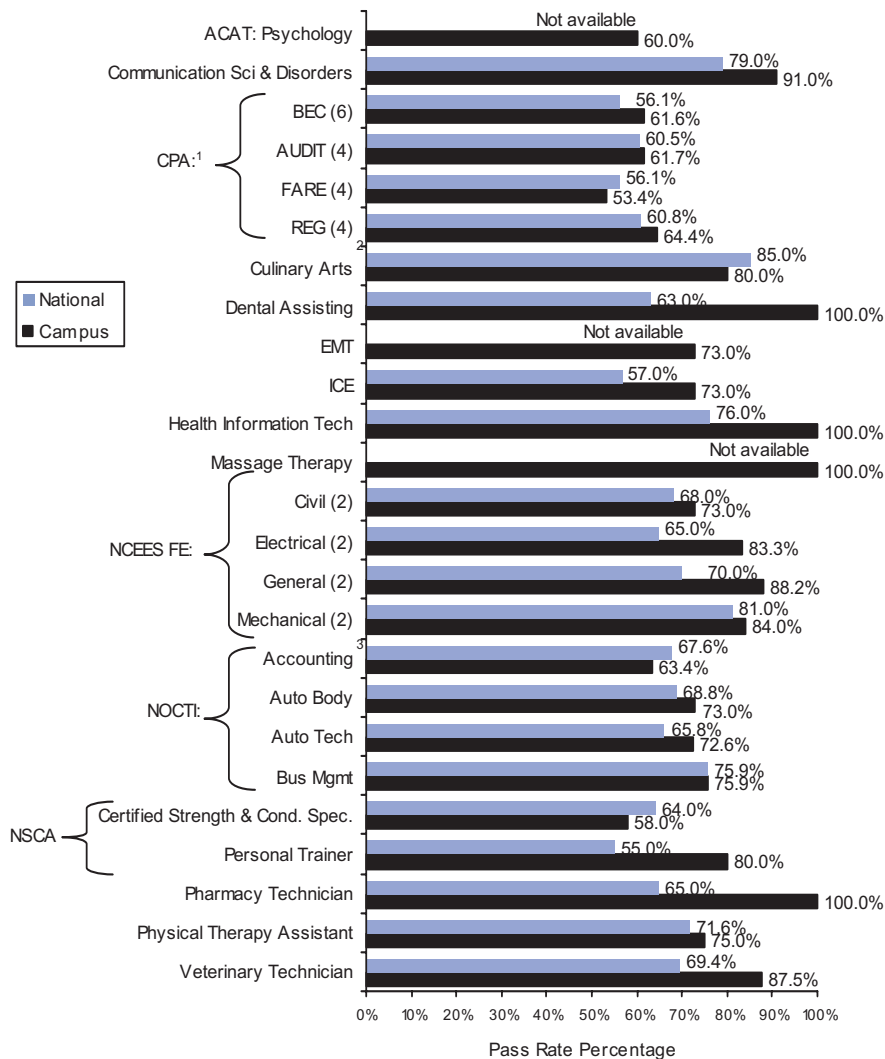
() Number of campuses reporting.

¹ Based on regional comparison due to cost of obtaining national results.

² NDUS students complete this exam at the end of their first semester. The national pass rate includes students who have completed up to four semesters.

³ This exam is normed on two-year accounting programs. NDUS test results reflect students from a one-year program.

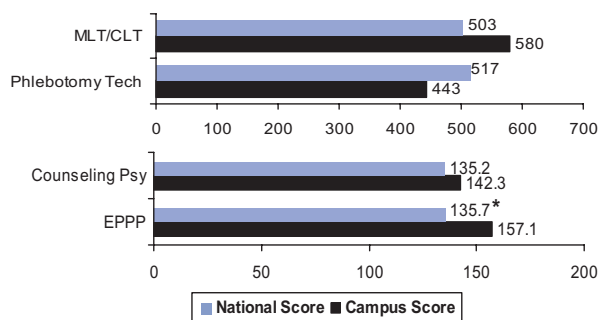
ACAT: Area Concentration Achievement Test
CPA: Certified Public Accountant (BEC = Business and Environmental Concepts, AUDIT = Audit, FARE = Financial Reporting, REG = Regulation).
EMT: Emergency Medical Training.
ICE: Industry Competency Exam
NCEES FE: National Council of Examiners for Engineering and Surveying Fundamentals Exams, reported by exam.
NOCTI: National Occupational Competency Testing Institute.
NSCA: National Strength and Conditioning Association



National Examination Reporting by Test Score AY 2006-07

* The national average score is not available; however, 135.7 is the national cut-off passing grade.

EPPP: Examination of Professional Practice of Psychology
MLT/CLT: Medical Lab Technician/Clinical Lab Technician.



First-Time Licensure Pass Rates

Measure EE3

(Legis. 1.b.)

First-time licensure pass rates compared to other states

How do NDUS graduates perform on national licensure or certification exams?

NDUS college and university graduates exceed the national first-time licensure pass rates for most professions measured. (See the explanation of exceptions in the bar graph footnotes on Page 15.)

About This Measure

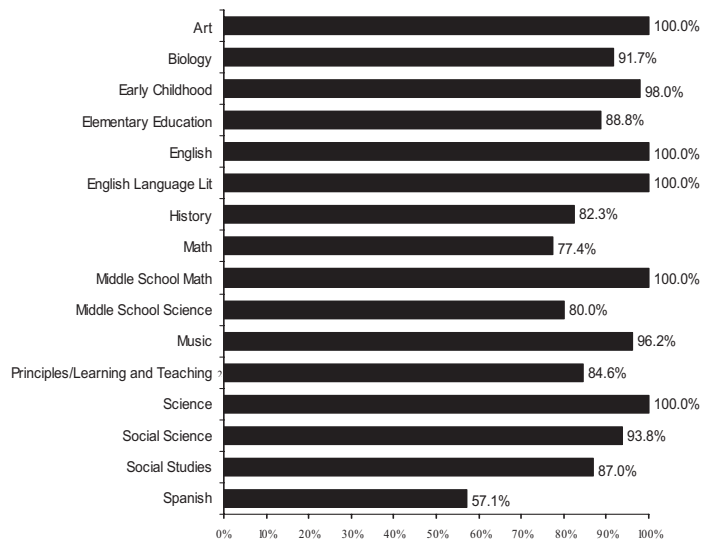
Some professions and occupations require certification on licensure examinations related to education in that discipline.

These examinations do not provide information about how well students perform in general education courses or in courses outside of the examination field. The bar graph at right includes the scores of NDUS program graduates, including students who test out of state if the identical examination is given and the criterion cut-off scores are the same. For example, nursing's National Council Licensure Examination (N-CLEX) is the same nationwide and has the same cut-off scores. Therefore, the nursing N-CLEX-RN passage rate includes North Dakota graduates who have taken the exam in other states.

North Dakota students achieve higher than the national average pass rates on 17 of 21 licensing examinations. Pass rates on some examinations may have been affected by special efforts to provide access to underserved populations.

Some professions, such as accounting and engineering, do not require examinations prior to professional practice. National comparisons are not appropriate in other professions, such as law, because exam content and cut-off scores vary from state to state. Information about other exams is reported as part of Measure EE2 on Pages 12-13. The bar graph below summarizes the results of NDUS PRAXIS II testing. North Dakota students now are required by the Education Standards and Practices Board to pass PRAXIS II to obtain teacher licenses. Since passing scores vary by state, state pass rates cannot be compared directly to national pass rates.

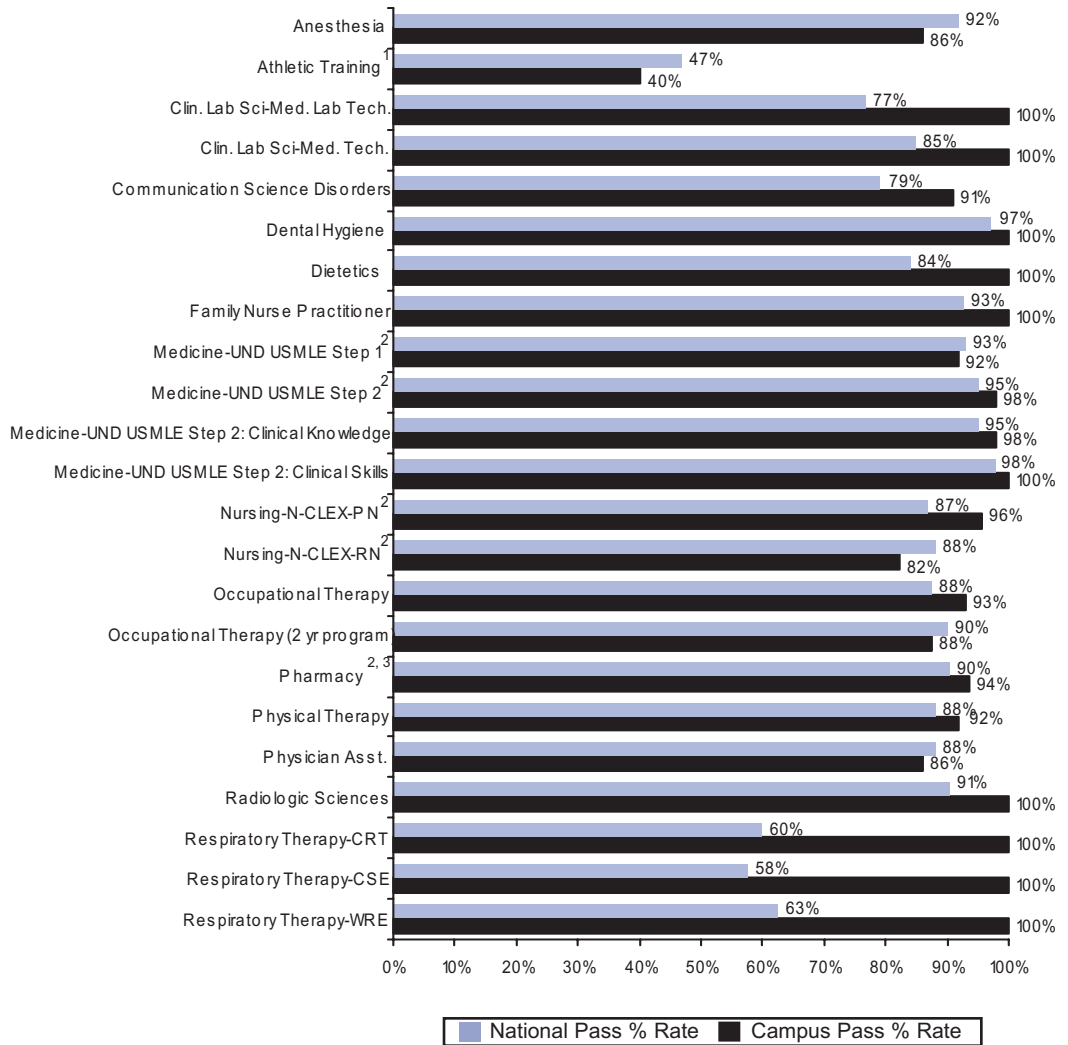
NDUS PRAXIS II Results
AY 2006–07



If there are fewer than five examinees, the results are not reported.

PRAXIS: The *Praxis Series* assessments provide tests and other services that states use as part of their teaching licensing certification process.

Comparison of NDUS Pass Rates to National Averages on Professional Licensure and Certification Exams AY 2006–07



Sources of data: BSC, DSU, MiSU, NDSCS, NDSU, UND and WSC.

Note: Rates are for 1st time examinees.

¹ NDUS students take this exam after completing a two-year program. The national average rate includes students completing both two and four-year programs. Some students not passing this exam may have passed one or two parts of the three-part exam.

² This program reserves slots for students from underserved populations.

³For period Jan. 1, 2006, through Dec. 31, 2006.

CSE: Clinical Simulation Examination.

CRT: Certification Respiratory Test.

N-CLEX: National Council Licensure Examination.

PN: Practical Nurse.

RN: Registered Nurse.

USMLE: United States Medical Licensing Examination.

WRE: Written Respiratory Examination.

Student-Reported Satisfaction

Measure EE4

(Legis. 1.c.)

Student-reported satisfaction with preparation in selected major, acquisition of specific skills, and technology knowledge and abilities

Are NDUS students satisfied with their college experience?

NDUS students are, in general, satisfied with their college experience. Results of the Student Satisfaction Inventory (SSI) show NDUS colleges and universities are meeting students' expectations in most areas.

About This Measure

The Community College Survey of Student Engagement (CCSSE) and the National Survey of Student Engagement (NSSE) were administered to NDUS students during Spring 2007. CCSSE was designed for two-year college students and NSSE for students at four-year institutions. Both surveys assess student learning and institutional success.

One question included in both surveys asks, "How would you evaluate your entire educational experience at this college?" Using a scale of 1 = *Poor*, 2 = *Fair*, 3 = *Good*, 4 = *Excellent*, two-year North Dakota CCSSE respondents rated their college experiences, on average, at 3.22 compared to a 3.14 national average.

NSSE was administered to first-year and senior North Dakota university students. First-year respondents rated their experiences, on average, at 3.08 compared to a 3.18 national average. Seniors who responded to NSSE rated their experiences, on average, at 3.15 compared to a 3.2 national average.

While CCSSE and NSSE measure student-reported satisfaction in a specific question as indicated in the summary above, both surveys also ask students several questions related to their overall educational experiences. Survey questions are grouped into five benchmarks that gauge and monitor performance of a college and provide useful information about the quality of an undergraduate learning environment.

A brief description of the five CCSSE/NSSE benchmarks follows.

Active and collaborative learning measures whether or not students are actively involved in their education and if they have opportunities to apply what they have learned.

Student effort measures how much effort students are devoting to their studies.

Academic challenge measures whether or not students are being intellectually challenged.

Student and faculty interaction measures the impact of this relationship on effective learning and attainment of educational goals.

Support for learners measures whether or not students believe the college is committed to their success.

CCSSE – Spring 2007

Benchmark ¹	NDUS 2-year	Nat'l ² Mean
Active and Collaborative Learning	51.9	50.0
Student Effort	45.2	50.0
Academic Challenge	44.9	50.0
Student/Faculty Interaction	53.5	50.0
Support for Learners	51.9	50.0

¹ Benchmarks are weighted to compensate for the number of full and part-time students in the sample. A score higher than 50 is above average.

² Unlike NSSE, CCSSE converts scores to standard scores so that a score of 50 reflects the national mean score.

NSSE¹ – Spring 2007

Benchmark ²	First Year		Senior Year	
	NDUS	Nat'l	NDUS	Nat'l
Level of Academic Challenge	47.5	51.8	53.2	55.6
Active and Collaborative Learning	37.8	41.3	48.5	50.1
Student/Faculty Interaction	29.4	32.8	40.5	41.2
Enriching Education Experiences	22.1	27.1	34.3	39.9
Supportive Campus Environment	57.6	59.9	57.7	56.9

¹ Unlike CCSSE, NSSE does not convert scores to standard scores so that a score of 50 represents the national mean.

² Each benchmark is the weighted average mean of students' scores throughout the NDUS.

Alumni-Reported Satisfaction

Measure EE5

(Legis. 1.c.)

Alumni-reported satisfaction with preparation in selected major, acquisition of specific skills, and technology knowledge and abilities

About This Measure

A total of 705 NDUS alumni who graduated between July 2001 and June 2003 responded to a spring 2006 ACT Evaluation Service Alumni Survey. The next alumni survey will be administered in the spring of 2008.

In the 2006 survey, 71.7 percent of the respondents said their current jobs were “highly related” or “moderately related” to the most recent degrees earned, and 80.4 percent said the college or university they attended prepared them “exceptionally well,” “more than adequate” or “adequately” for their current jobs. More than one-half (53 percent) said their college majors and their first jobs were “highly related.”

80.7 percent said they were “very satisfied” or “satisfied” with the overall quality of instruction at the college or university they attended. Nearly 90 percent said they would give the college or university an overall rating of “excellent” (49.5 percent) or “good” (36.9 percent). For most measures, NDUS college and university alumni responses either closely paralleled or exceeded national comparisons.

Alumni-Reported Satisfaction

AY 2001–03 Graduates

What is the closeness of your current job to your most recent degree/certificate/diploma?		
	NDUS %	Nat'l %
Highly related	58.7	51.0
Moderately related	13.0	15.4
Slightly related	8.1	9.5
Not at all related	6.0	10.4
No response	14.2	13.7

What is the relationship between your first job and your major at this school?		
	NDUS %	Nat'l %
Highly related	53.0	47.6
Moderately related	14.0	16.2
Slightly related	9.8	10.6
Not at all related	10.2	12.4
No response	12.9	13.2

How well did experiences at this school prepare you for your current job?		
	NDUS %	Nat'l %
Exceptionally well	20.0	16.8
More than adequate	27.2	25.9
Adequately	33.2	33.6
Less than adequate	3.4	4.3
Very poorly	0.7	0.9
Not at all	2.0	4.3
I am not employed	0.1	0.3
No response	13.3	13.9

How would you rate the overall quality of instruction?		
	NDUS %	Nat'l %
Very satisfied	35.6	32.9
Satisfied	45.1	48.5
Neutral	8.4	10.0
Dissatisfied	4.4	3.3
Very dissatisfied	0.3	0.9
No opinion	0.4	0.6
Blank	5.8	3.8

Do NDUS graduates believe they are prepared for the workforce?

71.7 percent of NDUS alumni said their current jobs were highly related or moderately related to the most recent degrees they earned, and 80.4 percent said the college or university they attended prepared them at least adequately for their current jobs.

Overall, how would you rate this school?		
	NDUS %	Nat'l %
Excellent	49.5	42.2
Good	36.9	43.8
Average	7.9	9.8
Poor	0.4	1.3
Blank	5.2	2.9

Employer-Reported Satisfaction with Recent Graduates

Measure EE6

(Legis. 1.d.)

Employer-reported satisfaction with preparation of recently hired graduates

About This Measure

Because no national employer satisfaction surveys were available, in 2004 the North Dakota University System (NDUS) initiated development of a survey in partnership with a vendor and institutions in other states. The second employer satisfaction survey was sent to 2,606 employers of 2003–04 and 2004–05 NDUS college and university graduates in the summer of 2006. Responses were received from 617 employers. The next employer survey will be administered in the summer of 2008.

About 86 percent of the surveys were completed by supervisors, 64 percent of the respondents had daily contact with the graduates and 49 percent of the graduates had been employed by the company for at least one year.

Employers were asked to respond to several questions about how important a particular skill was to them and then to rate their level of satisfaction with the employee on that skill. Several questions were asked in each of four categories – *knowledge and understanding*; *qualities generally expected*; *general skills and specific skills*. All questions were rated on a scale of 1 to 5 with 5 being “extremely important” or “extremely satisfied” and 1 being “not at all important” or “not at all satisfactory.” For example, employers gave *knowledge and understanding in employee’s field of study* a “very important” rating and said they were “very satisfied” with the employee’s knowledge in their field.

In *qualities generally expected of an employee*, employers rated reliability, integrity, willingness to learn and a positive attitude as the most important with “very important” ratings of 4.5 or higher. Employers said NDUS college and university graduates met their expectations in this area by giving each of those items a “very satisfied” rating. The most important general skills to employers were teamwork, verbal communication, listening to others and critical thinking.

Employers were “very satisfied” with the general skills in teamwork, listening to others, basic computer skills and customer service; they were “somewhat

satisfied” with critical thinking, computation and use of technology specific to the job. In specific skills, employers rated the ability to set goals, the ability to translate theory into practice and mentoring or coaching colleagues as being “somewhat important” and were “somewhat satisfied.”

On average, NDUS graduates received “very” and “extremely” satisfied ratings from their employers. This average is slightly higher than those reported by other states. Employers said they would be “very” to “extremely” likely to hire other graduates of that college or university.

Are employers satisfied with the preparation of NDUS college and university graduates?

Employers are, on average, “very satisfied” with the skills and knowledge they rated as “very important.”

Employer Satisfaction Survey Summary

Survey question	NDUS Mean	
	2004	2006
Overall, how SATISFIED are you that this employee demonstrates the qualities you would expect from a college graduate?	4.23	4.23
Overall, how SATISFIED are you with this employee’s general skills as they relate to the requirements of the job?	4.16	4.11
Overall, how SATISFIED are you with this employee’s specialized skills as they relate to the requirements of the job.	3.93	3.87
Based on your experience with this employee, how LIKELY are you to hire other graduates of this school?	4.15	4.15

5 = Extremely; 4 = Very; 3 = Somewhat; 2 = Not very; 1 = Not at all

Levels of Satisfaction and Reasons for Non-Completion

Measure EE7

(SBHE-2)

Non-completers satisfaction – levels of satisfaction and reasons for non-completion as reflected in a survey of individuals who have not completed their program or degree

About This Measure

Students who left NDUS institutions during the Fall 2006, Spring 2007 and Fall 2007 semesters were asked to complete the Withdrawing/Nonreturning Student Survey. Although not all students who leave NDUS institutions complete the survey, of the 505 respondents, 41.2 percent were freshmen.

Most ESS respondents said they entered college to pursue bachelor's degrees. 79 percent were full-time students, and 68 percent were North Dakota residents. 45 percent said they would not re-enroll at the same institution.

Students were asked to tell why they were leaving by selecting "major reason," "minor reason" or "not a reason" after each statement in the ESS survey. "Decided to attend a different college" was the number one reason students left NDUS institutions (38.2 percent). Some students said they wanted to move or were transferred to new locations (20.2 percent) or said the majors they wanted were not offered at the institutions they attended (15.6 percent).

NDUS Non-Returning Survey Responses* AY 2006-07

Major reasons for leaving an NDUS institution by rank order	2007 Percentage	2005	2005
		Nat'l Public Postsecondary Institutions Percentage**	All Nat'l Postsecondary Institutions Percentage**
Decided to attend a different college	38.2	20.8	23.6
Wanted to move to (or was transferred to) a new location	20.2	13.8	14.7
Desired major was not offered by this college	15.6	10.0	10.5
Health-related problem (family or personal)	12.3	17.6	17.2
Disappointed with the quality of instruction at this college	11.1	6.3	6.8
Family responsibilities were too great	9.1	12.5	11.4
Experienced emotional problems	9.1	8.8	9.6
Dissatisfied with my grades	8.7	11.0	10.3
Wanted to live nearer to my parents or loved ones	8.5	4.2	5.2
Academic advising was inadequate	8.5	4.8	4.8
Accepted a full-time job	8.3	14.0	12.4
Tuition and fees were more than I could afford	8.3	8.8	10.9
Conflict between demands of job and college	7.9	14.7	13.3

Note: Only the 13 most common responses by former NDUS students are reported here.

* Percentages do not total 100 percent because students may have provided more than one major reason for leaving an institution.

** 2005 is the most recent year for which national data is available.

Why do students leave NDUS institutions?

Many non-completing students who left NDUS institutions did so because they wanted to attend other colleges or universities (38.2 percent). Some students left either because they moved to (or were transferred to) new locations or because they believed the majors they wanted were not offered at the institutions they attended.

Levels and Trends in the Number of Students Achieving Goals

Measure EE8

(SBHE-3)

Student goals – levels and trends in the number of students achieving goals – institution meeting the defined needs/goals as expressed by students

Are NDUS college and university students meeting goals?

Although direct comparisons cannot be drawn between the Student Satisfaction Inventory (SSI) and graduation information, 58.7 percent of NDUS two-year college students indicated the intent to earn two-year degrees, while, as reported in Measure EE1, 35.6 percent completed two-year degrees within three years. At NDUS four-year universities, 61.6 percent indicated the intent to earn four-year degrees, while, as also reported in Measure EE1, 46.5 percent completed four-year degrees within six years.

About This Measure

The Student Satisfaction Inventory (SSI) was offered to all North Dakota University System college and university students in the spring of 2006. It will be offered again in the spring of 2008.

In the spring of 2006, a total of 5,505 students identified their educational goals. Survey results showed that most students who attend two-year institutions do so either to earn associate degrees (58.7 percent) or to transfer (21.5 percent). When asked if they expected to earn associate degrees in three years, 82 percent said “yes.” Most students who attend four-year institutions plan to earn bachelor’s degrees (61.6 percent). When asked if they expected to earn bachelor’s degrees in six years, 85 percent responded “yes.” Because the SSI is anonymous, the NDUS cannot track students to determine if their goals have been or are being met. Degree-seeking students do not include those who responded that their educational goals were “self-improvement/pleasure,” “job-related training” or “other.”

The 2006 NDUS Graduation Rate Survey (GRS) reports graduation rates by tracking a cohort or group of all first-time, full-time freshmen. The GRS followed two-year college students for three years (entering college in 2003) and four-year college students for six years (entering college in 2000).

According to the Integrated Postsecondary Education Data System (IPEDS), within this cohort, 35.6 percent earned associate degrees within three years, and 46.5 percent earned bachelor’s degrees within six years. This compares to a 32.5 percent national completion rate at two-year colleges and a 55.8 percent completion rate at four-year universities. In addition, the institutions reported to IPEDS that 113 students in the NDUS four-year university cohort transferred to other institutions, and 127 students in the two-year cohort transferred to other institutions.

As shown in Measure EE7 on Page 19, most students left NDUS institutions because they: (1) decided to attend a different college (2) wanted to move to or were transferred to a new location or (3) wanted a major that was not offered by the college or university they were attending.

NDUS Student Educational Goals

Two-Year School Students				
Educational goal	2003	2004	2005	2006
Associate degree	49.1%	50.8%	50.8%	58.7%
Vo-Tech	12.2%	9.9%	9.9%	7.6%
Transfer	25.1%	26.7%	26.7%	21.5%
Certification	4.7%	4.2%	4.2%	3.4%
Self-improvement/pleasure	1.0%	0.7%	0.7%	0.7%
Job-related training	2.2%	2.0%	2.0%	2.3%
Other educational goals	5.8%	5.6%	5.6%	5.9%

Four-Year School Students				
Educational goal	2003	2004	2005	2006
Associate degree	2.8%	2.2%	2.2%	1.5%
Bachelor’s degree	61.2%	58.3%	58.3%	61.6%
Master’s degree	16.8%	20.9%	20.9%	19.0%
Doctorate or professional degree	14.7%	16.1%	16.1%	15.5%
Certification	0.9%	0.4%	0.4%	0.4%
Self-improvement/pleasure	0.7%	0.5%	0.5%	0.4%
Job-related training	0.6%	0.3%	0.3%	0.4%
Other	2.4%	1.3%	1.3%	1.3%

Flexible and Responsive System

A University System environment that is responsive to the prioritized needs of its clients and serves as a model of a flexible, empowering, competitive, entrepreneurial and rewarding organization for a new economy in a rural state

Responsiveness to Clients

Measure FRS1

(SBHE-4)

Levels of satisfaction with responsiveness, as reflected through responses to evaluations by companies receiving training

About This Measure

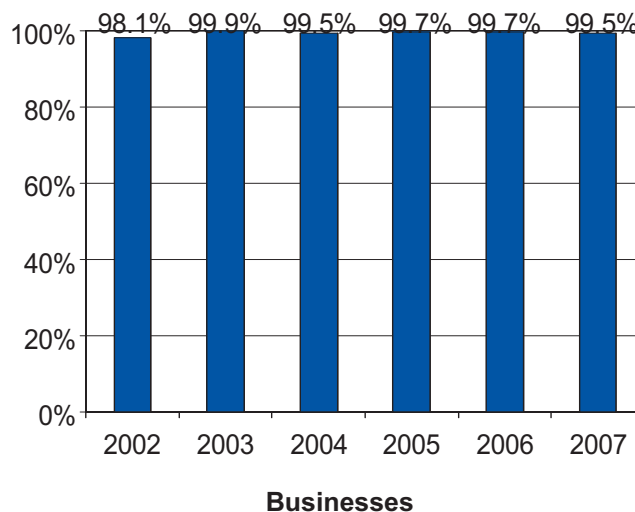
The statewide Task Force on Improving Workforce Training and the Roundtable on Higher Education both recommended several accountability measures related to the workforce training system in North Dakota, including measurement of the system's responsiveness to clients.

In FY 2007, the 1,595 companies that contracted for training through the workforce training system reported an average satisfaction level of 99.5 percent in regard to responsiveness to training requests.

FY 2002 was the first year data on responsiveness was collected and reported. Client satisfaction levels have been consistently high throughout this six-year period.

Since workforce training is a contractual arrangement between the employer and the training provider, only employers can report on satisfaction levels with responsiveness. As a result, no employee-level data is available.

Workforce Training Satisfaction Levels with Responsiveness
FY 2002 through FY 2007



What is the level of satisfaction with responsiveness to training needs?

In FY 2007, companies reported a 99.5 percent satisfaction level with responsiveness of the workforce training system in North Dakota to requests for training.

Biennial Report on Employee Satisfaction

Measure FRS2

(Legis. 1.e.)

Biennial report on employee satisfaction relating to the University System and local institutions

About This Measure

About 1,600 NDUS employees responded to the third National Campus Quality Survey administered to all system employees in 2006. 76 percent of all respondents rated their overall job satisfaction as “satisfied” (49 percent) or “very satisfied” (27 percent). The remaining 24 percent rated their overall job satisfaction as “neutral” (12 percent), “somewhat dissatisfied” (10 percent) and “not satisfied at all” (2 percent).

Participants included 523 faculty members, 522 support staff, 459 administrative professionals and 52 department chairs. (Twenty-one respondents did not designate an employment category).

When asked to rate their overall impression of quality on their campus, the majority of respondents said quality was “good” (54 percent) or “excellent” (21 percent). The remaining 24 percent said their overall impression was “average” (20 percent), “below average” (3 percent) or “inadequate” (1 percent).

In the same survey, system employees responded to 50 questions about their perceptions of “how it is now” and “how it should be.” The questions were organized into eight quality management categories. Employee responses were compiled and are reflected in the table on the next page.

A performance gap is calculated for each question by subtracting the “how it is now” score from the “how it should be” score. A small gap means that employee expectations are close to being met.

The 2006 NDUS performance gaps are lower than the national gaps in seven categories (higher only in the Measurement and Analysis category). The 2006 NDUS performance gap in the Employee Training and Recognition category is smaller than 2004; performance gaps in the other seven categories are slightly larger than the 2004 gaps.

Although the 2006 NDUS performance gaps are lower than the national gaps, campuses are continuing to respond to employee concerns. Examples of campus actions aimed at improving employee satisfaction follow:

- Surveys were conducted to identify ways to improve communication.
- Monthly meetings that include faculty, staff and student groups are held to share information.
- Salary increases were made a campus goal.
- A faculty/staff awards program was implemented to recognize exemplary job performances that add value to students’ college experiences.
- Additional professional development opportunities are being provided.
- Ongoing leadership and development training is being provided.
- Staff input on improving services and processes has been solicited.
- A campus policy was developed to collect information, ideas and recommendations from faculty/staff, and campus groups meet regularly to identify action steps for improvements.

Are NDUS employees satisfied with their employment?

When asked to rate their overall satisfaction, 76 percent of NDUS employees who responded to a recent survey said they are “satisfied” or “very satisfied” with their employment.


- In response to a campus survey, more faculty members are included in the budget and planning process.
- A staff senate was formed to increase involvement and communication in university governance.
- Task forces were created to develop plans to address security concerns.
- Training and information were provided about ConnectND, the administrative computer system.
- Institutional performance dashboard indicators were developed.

**Comparisons of National Norms in Eight Main
Survey Categories of Staff Perception of “How It Is Now”
2004 and 2006**

Quality Category	Overall NDUS How It Is Now		Overall NDUS Performance Gap		Overall Nat'l Norm Performance Gap		2-year Nat'l Norm Performance Gap		4-year Nat'l Norm Performance Gap	
	2004	2006	2004	2006	2004	2006	2004	2006	2004	2006
Employee Training and Recognition	3.166	3.174	1.250	1.235	1.333	1.316	1.375	1.342	1.392	1.400
Top Management Leadership and Support	3.337	3.310	1.111	1.140	1.161	1.152	1.243	1.220	1.225	1.242
Employee Empowerment and Teamwork	3.349	3.329	1.029	1.059	1.147	1.139	1.190	1.165	1.181	1.203
Quality/Productivity Improvement Results	3.324	3.272	0.992	1.053	1.084	1.082	1.131	1.110	1.060	1.088
Measurement and Analysis	3.370	3.278	0.982	1.091	1.076	1.070	1.108	1.086	1.120	1.144
Strategic Quality Planning	3.406	3.394	0.939	0.947	1.192	1.184	1.243	1.220	1.210	1.224
Quality Assurance	3.356	3.341	0.938	0.961	1.076	1.070	1.114	1.095	1.094	1.112
Customer Focus	3.410	3.409	0.904	0.925	1.006	0.999	1.058	1.033	1.034	1.057

Questions are rated on a 1– 5 scale of “how it is now” and “how it should be” with (1) strongly disagree (2) disagree (3) uncertain (4) agree and (5) strongly agree.

Accessible System



A University System which is proactively accessible to all areas of North Dakota and seeks students and customers from outside the state. It provides students, business, industry, communities and citizens with access to educational programs, workforce training opportunities, and technology access and transfer – and does so with the same performance characteristics as described in the “Flexible and Responsive” cornerstone.

Non-Traditional Delivery Methods

Measure AS1

(Legis. 3.a.)

Number and proportion of enrollments in courses offered by non-traditional methods

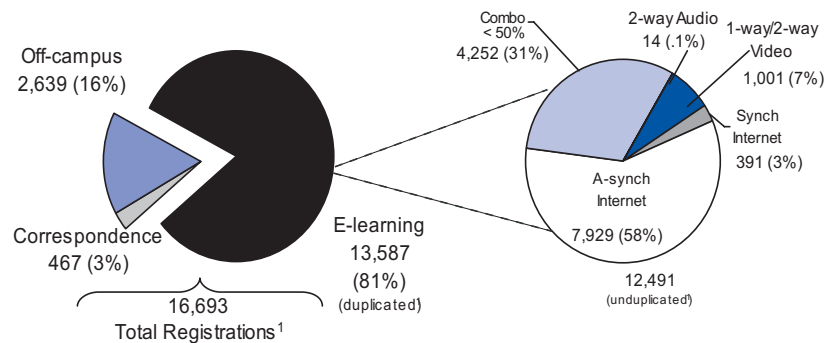
About This Measure

The NDUS is proactively pursuing alternative educational delivery methods to provide “anytime, anyplace” access for students.

Classes are offered via correspondence study, face-to-face meetings at off-campus sites and through e-learning. E-learning includes online Internet courses, which can be offered in a synchronous (at the same time) mode or an asynchronous (independent of time) mode. E-learning also includes prerecorded video, two-way video (IVN) or a combination of these methods.

This information is included in the *Fall Enrollment Report*, which is the basis for enrollment accountability reporting. The number of students who enroll in courses via non-traditional delivery methods has increased 158 percent since 2002, including a 13 percent increase in 2007.

Distance Education Degree Credit Student Headcount Enrollment Fall 2007



Do NDUS students take courses through non-traditional delivery methods?

In Fall 2007, the NDUS served 14,902 students who enrolled in courses for credit through non-traditional delivery methods. These students comprised 36 percent of the system’s total headcount enrollment. Enrollment by students who take courses in a variety of non-traditional delivery methods has increased 158 percent since Fall 2002.

The NDUS also offers courses via live and prerecorded TV broadcasts, prerecorded video and audio, one-way audio and CD-ROM; however, students did not choose these delivery methods during Fall 2007.

A course involving a combination of delivery methods is considered a “combo” course only when any single delivery method provides less than 50 percent of the instruction.

¹ The total of 16,693 course registrations included 1,791 students who registered in multiple distance learning courses, resulting in an unduplicated distance education total of 14,902 students. Source: *Fall 2007 Enrollment Report*, Tables 9-9a.

	Face-to-face Off-campus	Correspondence	E-learning	Unduplicated Distance Education Total
Fall 2002	2,311	509	3,198	5,777
Fall 2003	2,730	554	4,430	7,216
Fall 2004	2,557	571	5,800	8,505
Fall 2005	2,366	544	7,849	10,124
Fall 2006	2,924	555	11,060	13,200
Fall 2007	2,639	467	13,587	14,902

Source: Fall Enrollment Reports 2002 through 2007.

Tuition and Fees Compared to the Regional Average

Measure AS2

(Legis. 4.a.)

Tuition and fees on a per-student basis compared to the regional average

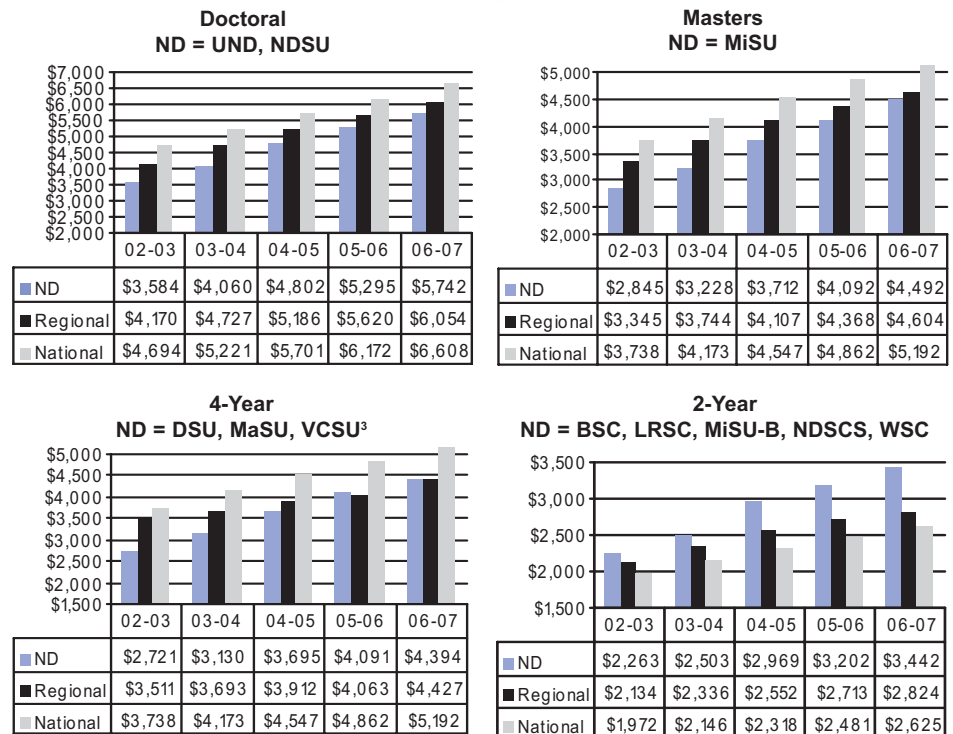
About This Measure

The FY 2006–07 average resident undergraduate tuition and required fees at UND and NDSU were \$312 (5 percent) less than the regional average and \$866 (13 percent) less than the national average. MiSU’s tuition and fees were \$112 (2 percent) less than the regional average and \$700 (14 percent) less than the national average. Rates at DSU, MaSU and VCSU were about the same as regional counterparts, but were less than the national average by \$798 (15 percent).

Tuition and fees at the two-year colleges are higher than the regional average by \$618 (22 percent) and higher than the national average by \$817 (31 percent). Regional two-year tuition and fee rates have increased 51 percent during the past seven years, while North Dakota two-year tuition and fee rates have increased 76 percent during the same period.

Resident Undergraduate Tuition and Required Fees: A Regional and National Comparison^{1,2}

FY 2002–03 through FY 2006–07



How do tuition and fees at North Dakota’s public institutions compare to those of other states?

Tuition and fees at UND, NDSU and MiSU were less than regional counterparts. The average rates at the four-year universities were about the same as regional counterparts, and the average two-year college rate was higher than the regional average.

¹For tuition purposes, 45 quarter hours or 30 semester hours per academic year equals full-time undergraduate student status.

²Regional average includes CO, IA, KS, MN, MO, MT, NE, OK, SD, WI and WY.

³Excludes \$854 at MaSU and \$902 at VCSU for annual laptop computer and other related fees.

Data Source: 2006–07 Tuition and Fee Rates: A National Comparison, Washington State Higher Education Coordinating Board; and NDUS Institutional Charges Schedule.

Tuition and Fees Compared to Household Income

Measure AS3

(Legis. 4.b.)

Tuition and fees as a percentage of median North Dakota household income

About This Measure

In FY 2006–07, tuition and required fees at UND and NDSU were 13.6 percent of the median household income in North Dakota or about the same as their regional counterparts. The national average was 14.3 percent.

To attend MiSU, North Dakotans contributed 10.6 percent of their median household income to tuition and required fees or slightly higher than regional counterparts. The national average was 11.2 percent.

The four-year tuition and required fee rates at DSU, MaSU and VCSU were 10.4 percent of the median household income, also slightly higher than regional counterparts. The national average was 11.2 percent.

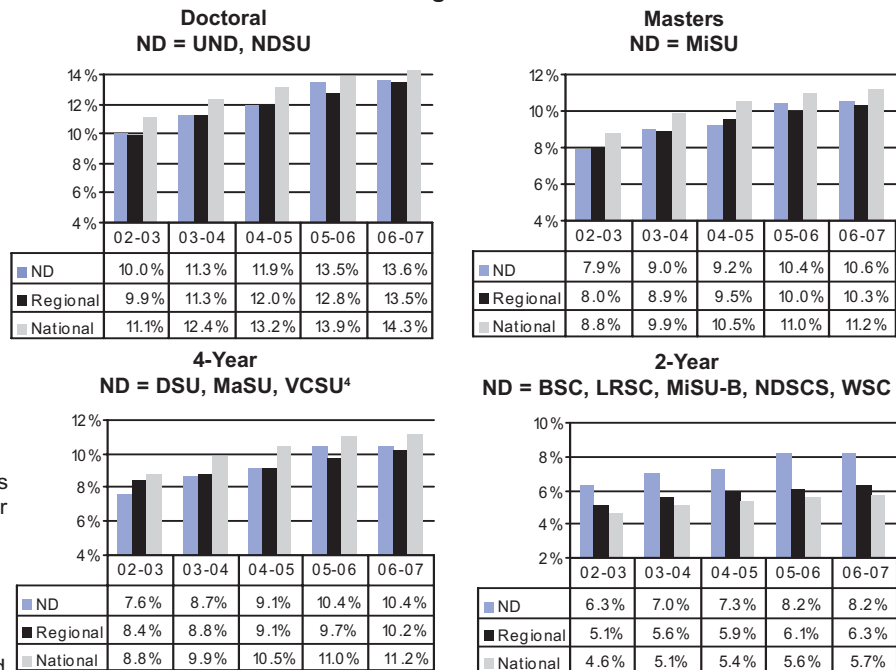
The greatest difference between North Dakota and regional rates occurs at the two-year colleges where North Dakota residents contribute 8.2 percent of their income to cover tuition and required fees, while the regional contribution is 6.3 percent and the national average is 5.7 percent.

Is public higher education in North Dakota affordable for residents?

Tuition and fees, as a percentage of median North Dakota household income, were slightly higher than the regional average, with the greatest difference occurring at two-year colleges.

Resident Undergraduate Tuition and Required Fees As a Percentage of Median Household Income ^{1,2,3}

FY 2002–03 through FY 2006–07



¹ For tuition purposes, 45 quarter hours or 30 semester hours per academic year equals full-time undergraduate student status.

² Tuition and required fees + median household income.

³ Regional average includes CO, IA, KS, MN, MO, MT, NE, OK, SD, WI and WY.

⁴ Excludes \$854 at MaSU and \$902 at VCSU for annual laptop computer and other related fees.

Data Source: 2006–07 Tuition and Fee Rates: A National Comparison, Washington State Higher Education Coordinating Board, NDUS Institutional Charges Schedule and NDUS Student Affordability Report, Feb. 2007.

Enrollment Numbers and Trends

Measure AS4

(SBHE-5)

Student enrollment information, including: (a) total number and trends in full-time, part-time, degree-seeking and non-degree-seeking students being served and (b) the number and trends of individuals, organizations, and agencies served through non-credit activities

About This Measure

In April 2001, the SBHE approved a new enrollment reporting policy. Under this policy, which is consistent with the United States Department of Education's Integrated Postsecondary Education Data System (IPEDS) data, all degree-credit enrollments are being reported. Prior to this policy change, some degree credits on some campuses may not have been fully reported.

The Fall 2007 enrollment of full-time and part-time degree-seeking students is slightly lower than Fall 2006. In Fall 2007, there were 233 more part-time enrollments, however, there were 643 fewer full-time enrollments.

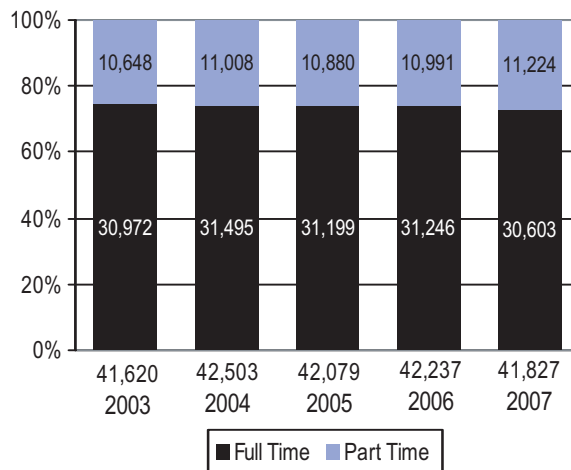
Since Summer 2001, credit, non-degree credit and non-credit enrollment has been reported on an annual basis. However, a 2007 annual report will not be produced before this accountability measures report is published.

In 2007, more than 22,506 individuals were served by NDUS institutions through non-credit activities. Non-credit services, including workforce training, were provided to 3,032 businesses, organizations, high schools and agencies. In addition, through its Rural Methamphetamine Education Project, Minot State University made presentations to more than 29,075 public officials, teachers, business leaders and parents and 259 agencies. Workforce training activities are reported in greater detail in Measure ED3 on Page 5.

How many students does the NDUS serve?

The Fall 2007 NDUS part-time and full-time degree credit headcount enrollment of 41,827 was slightly lower than the Fall 2006 enrollment. (Fall 2007 Enrollment Report)

**Percentage of Full and Part-Time Degree-Seeking Students
Fall 2003 through Fall 2007**



Source: Fall Enrollment Reports 2003 through 2007.

Student Participation Levels and Trends

Measure AS5

(SBHE-6)

Student participation – levels and trends in rates of participation of (a) recent high school graduates and nontraditional students, and (b) individuals pursuing graduate degrees

About This Measure

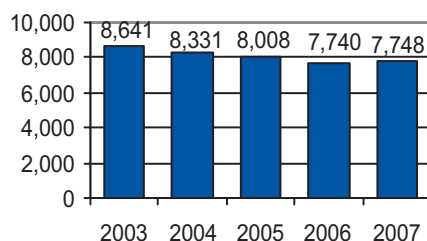
The Fall 2007 beginning freshmen enrollment of 7,074 is slightly lower than the Fall 2006 enrollment of 7,075. It is important to note, however, there has been a significant decline (1,662) since beginning freshmen enrollment peaked in 2003.

According to a 2003 Western Interstate Commission on Higher Education (WICHE) report titled *Knocking at the College Door*, this trend will continue. WICHE projects the number of public high school graduates in North Dakota will decrease by 30.6 percent between 2001–02 and 2017–18.

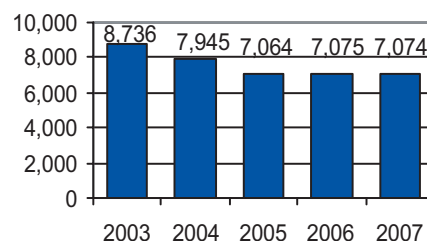
There is a slight increase in non-traditional student (age 25 and older) participation in Fall 2007 (11,389) compared to Fall 2006 (10,704). Non-traditional enrollments show a 13.7 percent increase over the past five years.

Increased availability and access to graduate programs is benefiting students who want to pursue graduate degrees. Enrollment of students pursuing graduate or first professional degrees has increased 23.5 percent in the past five years. In Fall 2003, 4,020 students were enrolled in graduate and professional programs. In Fall 2007, this number increased to an all-time high of 4,965.

North Dakota High School Graduates



NDUS Beginning Freshmen¹



Who's enrolling at NDUS institutions?

Beginning freshmen enrollment decreased slightly from 7,075 in Fall 2006 to 7,074 in Fall 2007. Enrollment of non-traditional students increased 13.7 percent between Fall 2003 and Fall 2007. The number of students enrolled in graduate and first professional programs has increased 23.5 percent since Fall

Participation Rates of Non-Traditional Students²

Year	# Students		Participation Rate
	Total NDUS Enrollments	Age 25 and Older	
2003	41,620	10,015	24%
2004	42,503	10,425	24%
2005	42,082	10,730	26%
2006	42,237	10,704	25%
2007	41,827	11,389	27%

NDUS Graduate Degree Participation Rates²

Year	Total NDUS Enrollments	NDUS Graduate/Prof. Participation Rate	
		Total NDUS Graduate/Prof. Students	Participation Rate
2003	41,620	4,020	10%
2004	42,503	4,229	10%
2005	42,082	4,331	10%
2006	42,237	4,477	11%
2007	41,827	4,965	12%

¹ Includes all freshmen entering college for the first time, regardless of residency or high school graduation date.

² Includes both resident and non-resident enrollments.

Funding and Rewards

A system of funding, resource allocation, and rewards that assures quality and is linked to the expressed high-priority needs and expectations of the University System – assures achievement of the expectations envisioned

Net Assets Available for Debt Service Compared to Long-Term Debt

Measure FR1

(Legis. 5.c.)

Ratio measuring the amount of expendable net assets as compared to the amount of long-term debt

Is the NDUS able to cover its debts?

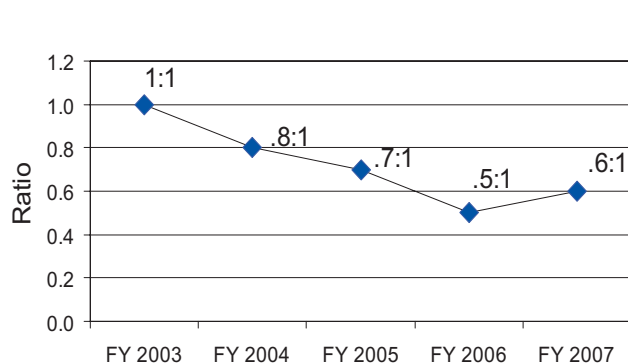
The NDUS ratio of net assets available for debt service to long-term debt is 0.6:1 as of the end of FY 2007. A ratio of 1:1 or greater is desired (see explanation at right).

About This Measure

This ratio measures the availability of net assets to cover debts should the NDUS need to immediately settle its obligations. Net assets available for debt service are those that can be quickly accessed and spent. Net assets invested in capital assets, less the related debt, are the largest component of net assets for the NDUS, but are excluded from this calculation because they are not quickly convertible to cash. Restricted assets also are excluded from this calculation because they cannot be accessed for debt service. A ratio of 1:1 or greater indicates that net assets available for debt service are sufficient to satisfy debt obligations in the event all debts would become immediately payable.

For FY 2007, the NDUS had a ratio of .6:1, down from 1:1 in FY 2003. The decreasing ratio since FY 2003 is due to a \$118.2 million net increase in long-term debt (including the ConnectND bond of \$14 million; debt of a related, but separate legal entity of \$23 million; and auxiliary and housing bonds of \$106 million), with a corresponding increase of only \$27.8 million in net assets available for debt service. Although the FY 2007 ratio is less than 1:1, it is highly unlikely that a condition or circumstance would trigger the immediate payment of all outstanding debt. The North Dakota University System historically has had sufficient resources to cover its annual debt service payments and anticipates the same in the future as revenue sources, which will create the future revenue streams to cover the new additional debt, are already in place.

Ratio of Net Assets Available for Debt Service to Long-Term Debt¹



¹ Previously reported ratios for FY 2003–04 have been restated, per auditor suggestion, to include only expendable debt service in the expendable net assets total, as opposed to all restricted expendable net assets.

FY 2007

Net assets available for debt service:

Unrestricted net assets	\$140,513,572
Expendable debt service	<u>11,757,660</u>
	\$152,271,232

Notes, bonds, leases and special assessments payable

	\$245,105,850
	<u>\$152,271,232</u>
	\$245,105,850 = 0.6:1

¹ Includes related entities, such as the NDSU Extension Service, Research Centers and the UND Medical School, as well as the ConnectND debt included in the NDUS Office financials.

Data Source: FY 2007 NDUS audited financial statements.

State General Fund Appropriations and Total Fund Revenues

Measure FR2

(Legis 4.c.)

Cost per student in terms of general fund appropriations and total University System funding

About This Measure

This measure analyzes whether the North Dakota University System's annual state general fund and total fund revenues are increasing or decreasing when calculated on a per-student basis. The measure also shows whether the state is contributing a larger or smaller proportion of the total cost over time. Because expenditure data by revenue source is not included in the audited annual financial statements, revenues are used as the basis for this measure.

The measure is presented in two ways. Calculation 1 includes unrestricted revenues and state general fund appropriations. Calculation 2 also includes restricted revenues. The term "restricted" describes revenues restricted in use by the grant, donor or other source.

Using Calculation 1, \$5,733 (37 percent) of FY 2007 funding was provided through state general funds, and \$9,960 (63 percent) came from unrestricted sources, such as tuition and fees³. According to this calculation, FY 2007 per-student funding totaled \$15,693.

Using Calculation 2, the state general fund contribution did not change; however, it equaled a smaller percentage of the total financial picture because restricted funds⁴ were added to the equation. In FY 2007, the \$5,733 general fund contribution equaled 27 percent of the per-student cost, and the unrestricted and restricted total of \$15,869 provided 73 percent of per-student funding for a total of \$21,602.

State General Fund Appropriations and Total Fund Revenues per Full-Time Equivalent (FTE) Student FY 2007

	Revenues ¹ (millions)	%	Per FTE ²
Calculation 1			
Unrestricted ³	\$364,166	63%	\$9,960
State general fund appropriations	<u>209,635</u>	<u>37%</u>	<u>5,733</u>
Total	\$573,801	100%	\$15,693
Calculation 2			
Unrestricted & Restricted ⁴	\$580,236	73%	\$15,869
State general fund appropriations	<u>209,635</u>	<u>27%</u>	<u>5,733</u>
Total	\$789,871	100%	\$21,602

What portion of the per-student cost is covered by general fund appropriations?

In FY 2003, general fund appropriations provided 32 percent of the total NDUS revenues. In FY 2007, the general fund share was 27 percent.

¹ Includes revenues for related entities, such as the NDSU Extension Service and Research Centers and the UND Medical School, but excludes the NDUS Office.

² There were 36,564 FTE students in FY 2007.

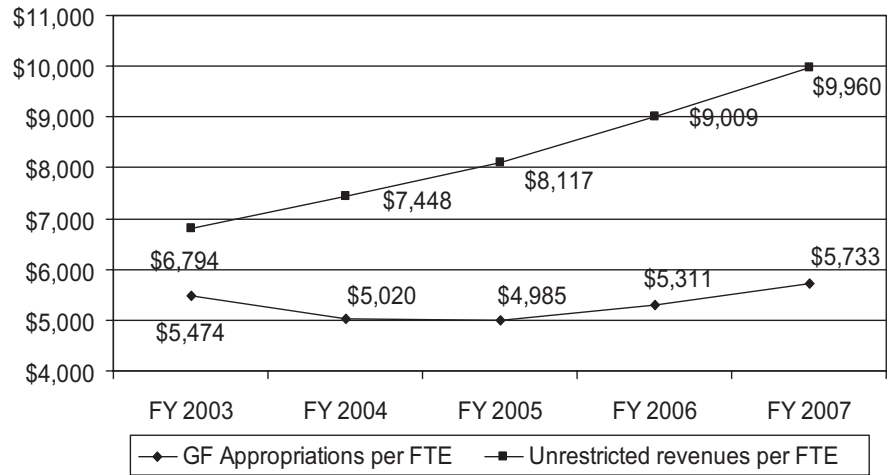
³ Unrestricted revenues = student tuition and fees, auxiliary enterprises, educational sales and services, other operating revenues and investment income.

⁴ Restricted revenues = grants and contracts, gifts and federal appropriations restricted in use.

Data Source: FY 2007 NDUS audited financial statements and 2006–07 annualized enrollment schedule.

The general fund appropriation per FTE student has increased 4.7 percent since FY 2003; comparatively, tuition, fees and other charges have increased 46.6 percent per FTE student since FY 2003.

**Funding per Full-Time Equivalent (FTE) Student
(Calculation 1)
FY 2003 through FY 2007**



Cost per Student and Percentage Distribution by Major Function

Measure FR3

(Legis. 5.a.)

Cost per student and percentage distribution by major function

How much does the NDUS spend per student each year, and how are NDUS resources allocated?

In FY 2007, the NDUS spent \$17,089 per student from all funding sources, an increase of 21.8 percent since FY 2003. The majority of funds were spent in support of core services (56 percent), and the remaining funds were spent in support services and student aid (15 percent) and administration and physical plant (16 percent).

About This Measure

This measure analyzes changes in total costs per full-time equivalent (FTE) student and use of institutional resources by category of expenses. These categories and their components are:

Core Services: These costs are directly linked to the core mission of the campuses and include expenses for instruction, research and public service.

Support Services and Student Aid: Support services include academic support and student services that also support the missions of the campuses. Aid to students includes scholarships and fellowships.

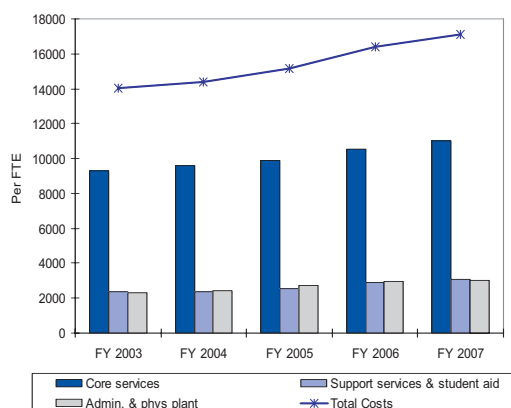
Administration and Physical Plant: This category includes institutional support (the presidents' office, business office and budget office) and maintenance of the physical plant, excluding depreciation.

Cost Per Student

In FY 2007, the average total cost per FTE student was \$17,089. Between FY 2003 and FY 2007, total cost per FTE student increased 21.8 percent. Between FY 2003 and FY 2007, total cost per FTE student increased 21.8 percent. Core services cost per FTE student rose 18.1 percent, while combined support services, administration and physical plant costs per FTE student increased 29 percent in the same time period. Rising health care and utility costs are the primary reason for the increases.

During the same period, combined support services and administration and physical plant costs per FTE student increased 29 percent.

Costs per Full-Time Equivalent (FTE) Student



Cost per Student and Percentage of Distribution by Major Function¹ FY 2007

Expenses	Cost Per Student		% of Funding ²
	(Expense/FTE)	(Expense/Revenues)	
Core Services:			
Instruction	\$ 243,986,535	\$6,673	34%
Research	116,690,574	3,191	16%
Public service	41,717,310	1,141	6%
	<u>\$ 402,394,419</u>	<u>\$11,005</u>	<u>56%</u>
Support Services:			
Academic support	\$ 54,363,220	\$1,488	8%
Student services	34,507,658	944	5%
Scholarships & fellowships	23,782,944	650	2%
	<u>\$ 112,653,822</u>	<u>\$3,082</u>	<u>15%</u>
Administration and Physical Plant:			
Institutional support	\$ 62,094,016	\$1,698	9%
Operation and maintenance of plant	47,688,946	1,304	7%
	<u>\$ 109,782,962</u>	<u>\$3,002</u>	<u>16%</u>
Total average cost per student		<u>\$17,089</u>	
FTE Students	<u>36,564</u>		
Revenues			
Total Revenue ³	\$ 789,871,206		
Less: Auxiliary revenue	(80,757,785)		
Total revenues (excluding auxiliary)	<u>\$ 709,113,421</u>		

¹ Includes NDSU and UND-related entities, such as NDSU Extension Service and Research Centers and the UND Medical School, but excludes the NDUS Office.

² Expenditures divided by total revenue less auxiliary revenue.

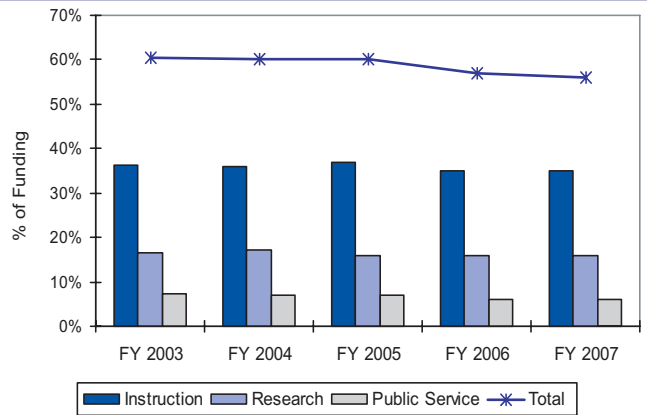
³ Total revenues from Measure FR2, calculation #2.

Data Source: NDUS audited financial statements.

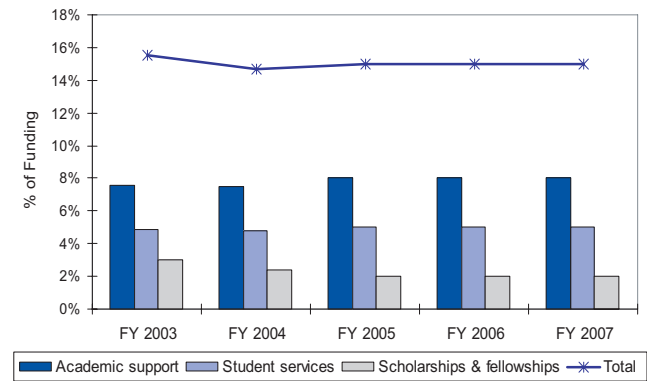
Percentage Distribution by Major Function

In FY 2007, the NDUS spent 56 percent of its total combined revenues and state appropriations (excluding auxiliary revenues) on core services, 15 percent on support services and student aid, and 16 percent on administration and physical plant.

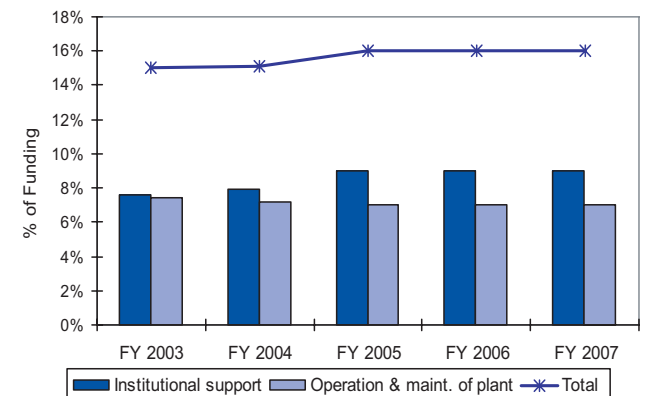
Core Services: The percentage of funding used for core services dropped to 56 percent in FY 2007 from 60 percent in 2003. The slight decline in enrollment in FY 2006 is likely the cause.



Support Services and Student Aid: Funding for this category of expenses has remained relatively stable in the last four years.



Administration and Physical Plant: The percentage of funding for institutional support and physical plant has remained relatively stable in the last four years, even as the cost basis of the infrastructure and buildings has increased from \$763 million to \$869 million since FY 2003. As funding becomes tight, deferred maintenance activities are delayed because of more pressing, immediate needs.



Per Capita General Fund Appropriations for Higher Education

Measure FR4

(Legis. 4.d.)

Per capita general fund appropriations for higher education

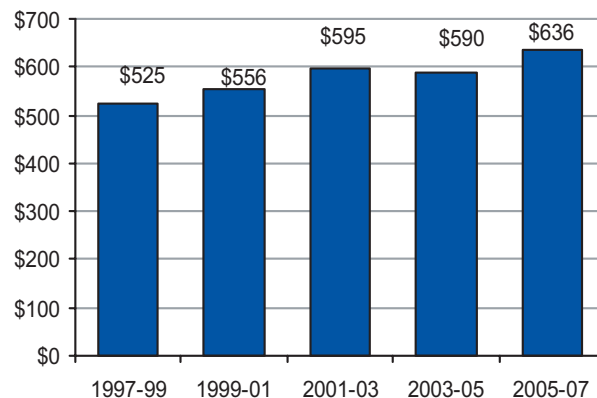
About This Measure

This measure demonstrates whether the state, on an individual per-capita basis, is providing an increasing or decreasing amount of funding to the colleges and universities over time.

The average per-capita state general fund appropriation for the 2005–07 biennium was \$636, an increase of 21 percent since the 1997–99 biennium. These funds are appropriated by the Legislative Assembly for the general operation of the campuses and related entities.

Per-Capita State General Fund Appropriations for Higher Education^{1,2}

1997–99 through 2005–07 Biennia



To what extent do North Dakota taxpayers provide financial support for NDUS students?

The average per-capita state general fund appropriation for the 2005–07 biennium was \$636, an increase of 21 percent since the 1997–99 biennium.

¹ Includes related entities, such as NDSU Extension Service and Research Centers and the UND Medical School, but excludes the NDUS Office.

² Per capita state general fund revenue = state appropriations (excluding capital assets) ÷ North Dakota population.

Data Source: NDUS annual audited financial statements; Population Division, US Census Bureau; www.census.gov/popest/estimate.php

State General Fund Appropriations Compared to Peer Institutions

Measure FR5

(Legis. 4.e.)

State general fund appropriation levels for University System institutions compared to peer institutions' general fund appropriation levels

About This Measure

This measure demonstrates each college and university's position relative to its peer benchmark.

Consistent with other fiscal measures reporting on FY 2007 data, this measure includes 2005–07 data for FY 2006 and 2007 combined.

The amounts included in this report reflect 2005–07 state general fund levels for NDUS institutions compared to peer benchmarks. All NDUS colleges and universities are funded at less than 100 percent of their peers. NDUS institutions, as a whole, are funded at an average of 51 percent of their peer benchmarks.

State General Fund Appropriation Levels As a Percent of Peer Benchmark¹ (In Millions) 2005–07 Biennium

How well does North Dakota fund its public institutions compared to peer institutions?

Based on 2005–07 state funding levels, all NDUS institutions are funded at less than 100 percent of their peer institution benchmarks, and most are funded at less than 85 percent of their peer benchmarks. NDUS institutions, as a whole, are funded at an average of 51 percent of their peer institution benchmarks.

	NDUS Campuses 2005–07 Approp.	Peer Benchmark	NDUS Campus as a Percent of Benchmark
Bismarck State College	\$17.3	\$33.8	51%
Dickinson State University	14.7	31.0	47%
Lake Region State College	5.8	12.7	46%
Mayville State University	9.0	12.7	71%
Minot State University	27.2	41.3	66%
MiSU-Bottineau	4.3	6.1	71%
ND State College of Science	25.0	28.8	87%
North Dakota State University ²	76.7	189.3	41%
University of North Dakota ³	124.2	246.0	50%
Valley City State University	11.8	14.6	81%
Williston State College	5.7	9.3	62%
Total NDUS	\$321.7	\$625.6	51%

¹ Benchmarks are based on FY 2004 financial data and Fall 2003 enrollment data for the new peer institutions established in 2006.

² Excludes ag extension and experiment stations.

³ Includes medical school.

Data Source: NDUS Long-Term Finance Plan and Resource Allocation Model.

Operating and Contributed Income Ratio

Measure FR6

(Legis. 5.b.)

Ratio measuring the funding derived from operating and contributed income compared to total University System funding

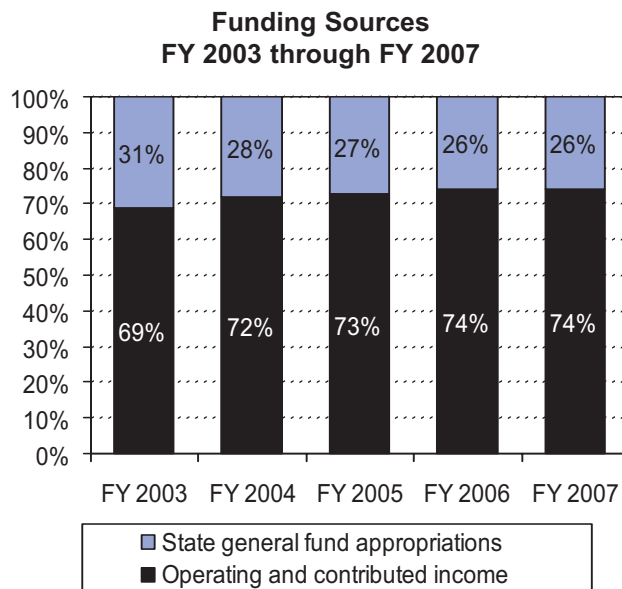
What percent of NDUS revenues are self-generated?

In FY 2007, the NDUS generated 74 percent of its total revenues, either internally from fees for services or externally from gifts, grants and contracts. The four-year trend indicates the institutions are generating an increasing share of total revenues.

About This Measure

This measure analyzes the portion of overall North Dakota University System funding that is self-generated. These funds include operating income, which is generated internally by the institutions on a fee-for-service basis, and contributed income, which is generated externally through contributions received from alumni, corporations, foundations and others. This total includes revenue sources that are restricted in use by the donor, grantor or other source.

Up from 69 percent in FY 2003, the NDUS generated 74 percent of its total revenue from operating and contributed income sources in FY 2007. This increase demonstrates that the colleges and universities are generating an increasing share of their total revenues.



Operating and Contributed Income Ratio¹ (In Millions) FY 2007

Self-generated revenues

Tuition and fees	\$218,773
Federal appropriations	4,295
Federal grants and contracts	154,417
State grants and contracts	10,734
Private gifts, grants/contracts	44,296
Sales and services – Ed. Depts.	45,388
Investment and endowment income	14,531
Auxiliary enterprise	80,758
Other operating revenue	<u>7,039</u>
Total self-generated revenues	\$580,231

Total all revenues²

Total all revenues²	\$789,866
Operating and Contributed Income Ratio	<u>\$580,231</u> \$789,866 = 74%

¹ Includes related entities, such as the NDSU Extension Service and Research Centers and the UND Medical School, but excludes the NDUS Office.

² Total revenues from Calculation 2 of Measure FR2.

Data Source: FY 2007 NDUS audited financial statements.

Primary Reserve Ratio

Measure FR7

(Legis. 5.e.)

Ratio measuring the amount of expendable net assets divided by operating expenses

About This Measure

In current financial statement terminology, this ratio measures the amount of expendable net assets compared to operating expenses. A ratio greater than .1 is good while a ratio of less than .05 is of concern.

This ratio measures the ability of the North Dakota University System to continue operating at current levels, within current restrictions, without revenue. Expendable net assets are those that can be quickly accessed and spent. Net assets invested in capital assets, less the related debt, are the largest component of net assets for the NDUS, but are excluded from this calculation because they are not quickly convertible to cash. Restricted assets also are excluded from this calculation because they cannot be accessed for general operations.

For FY 2007, the NDUS had a ratio of 0.3:1, which indicates that in an emergency situation, the University System could continue its current operations for about 14 weeks. The NDUS primary reserve ratio has remained unchanged since FY 2003.

Primary Reserve Ratio¹ FY 2007

Expendable Net Assets:

Unrestricted net assets	\$140,513,572
Expendable net assets	<u>86,169,731</u>
	\$226,683,303

Operating Expenses

\$761,183,073

\$226,683,303

\$761,183,073 = **0.3:1**

In an emergency situation, how long could the NDUS continue its current operations without revenue?

The NDUS had a primary reserve ratio of 0.3:1 as of the end of FY 2007, which indicates it could continue operations for about 14 weeks.

¹ Includes related entities such as NDSU Extension Service and Research Centers and the UND Medical School.

Data Source: FY 2007 NDUS audited financial statements.

Net Income Margin

Measure FR8

(Legis. 5.f.)

Ratio measuring increase in net assets divided by total revenues

About This Measure

In current financial statement reporting terminology, this margin is calculated by dividing the current year's increase in net assets by the total revenues. This margin is an important measure of an institution's financial status in terms of current year operations. A negative net income margin results when an institution's current year expenditures exceed its current year revenues, requiring the college or university to draw on reserves or creating deficit spending. A positive net income margin indicates that the institution experienced a net increase in current year fund balances. A positive FY 2007 margin of 3.5 percent signifies the North Dakota University System is not spending more than it is taking in.

Is the NDUS spending more than it is taking in?

The NDUS had a net income margin of 3.5 percent as of the end of FY 2007, indicating the University System was not spending more than it was taking in.

Net Income Margin¹ FY 2007

Increase in net assets	\$28,068,922	
Total revenues	\$809,734,019	
	<u>\$28,068,922</u>	
	\$809,734,019	= 3.5%

¹ Includes related entities such as NDSU Extension Service and Research Centers and the UND Medical School.

Data Source: FY 2007 NDUS audited financial statements.

Status of NDUS Long-Term Finance Plan

Measure FR9

(SBHE-7)

Higher education financing – a status report on higher education financing as compared to the Long-Term Finance Plan

About This Measure

This measure is intended to demonstrate progress toward achieving the funding goals of the North Dakota University System Long-Term Finance Plan adopted in 2001 and revised in 2006. It includes the following components: (1) operating fund benchmarks per FTE student (2) state/student share targets and (3) capital asset funding targets.

An operating fund benchmark per FTE student, comprised of state appropriations and net tuition and fee revenues, was established for each NDUS institution, based on a revised group of peer institutions. All NDUS colleges and universities, except NDSCS, were funded at less than their benchmarks for the 2005–07 biennium. The following table illustrates a wide range of variances, from NDSU, which is at 67 percent of its benchmark, to NDSCS, which is at 108 percent of its benchmark.

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State Appropriations and Net Tuition and Fees As a Percent of Benchmark per FTE Student 2005–07 Biennium

(Based on the new set of peers adopted in 2006)

	NDUS Institutions ¹ per FTE	Benchmark ² per FTE	Percent of Benchmark
Bismarck State College	\$6,071	\$7,790	78%
Dickinson State University	6,993	10,330	68%
Lake Region State College	6,221	8,970	69%
Mayville State University ³	8,775	11,910	74%
Minot State University	7,931	9,700	82%
MiSU-Bottineau	6,384	8,310	77%
ND State College of Science	9,368	8,690	108%
North Dakota State University ⁴	9,785	14,590	67%
University of North Dakota ⁵	12,991	16,960	77%
Valley City State University ³	10,008	11,430	88%
Williston State College	5,927	8,330	71%

¹ NDUS state appropriation and net tuition and fees per FY 2006 and FY 2007 financial statements, plus (minus) adjustments described in additional footnotes, divided by average Fall 2003 and 2004 student count (75 percent FTE, 25 percent headcount) per revised Long-Term Finance Plan.

² Benchmarks are based on FY 2004 financial data and Fall 2003 enrollment data of the new peer institutions that were established in 2006. This is the latest verified data, excluding ag for NDSU, and is the data utilized in the 2007–09 biennial budget request.

³ Technology revenues subtracted from tuition revenues for 2005–07 (Mayville = \$816 per FTE student, Valley City = \$557 per FTE student).

⁴ NDSU 2005–07 state appropriations are reduced for: HECN and ConnectND (\$364 per FTE student), Ag Extension and Experiment (\$2,530 per FTE student) and flood appropriations (\$13 per FTE student).

⁵ UND 2005–07 state appropriations are reduced for: HECN, ConnectND, IVN and ODIN (\$517 per FTE student), and flood appropriations (\$86 per FTE student).

Data Source: IPEDS Fall 2003 and Fall 2004 Enrollment Data, NDUS Long-Term Finance Plan and FY 2006 and FY 2007 NDUS audited financial statements.

How well are NDUS colleges and universities funded when compared to the Long-Term Finance Plan?

Ten of the 11 colleges and universities were funded at less than their operating benchmarks per FTE student. All colleges and universities exceeded the student share portion of the state/student share targets in FY 2005–07. NDUS institutions were funded at an average of 13.4 percent of the Office of Management and Budget capital assets formula and at 4.2 percent of total capital funding needs, including outstanding deferred maintenance.

Status of NDUS Long-Term Finance Plan (continued)

Funding higher education is a responsibility shared among the stakeholders: the state, the students and the institutions. Both state and student share targets were established for each type of NDUS institution in the Long-Term Finance Plan. The actual state/student share percentages compared to their targets are reflected in the table below. Timing of the drawdown of state-appropriated funds between fiscal years will cause the state/student shares to fluctuate between the two years of the biennium. The biennial percentages are included in the table to reflect the total state/student shares for the biennium to minimize these timing differences.

State (State Appropriations) and Student (Net Tuition and Fees) Shares Compared to Target Shares Per Long-Term Financing Plan

	<u>State Share (State Appropriations)</u>			<u>Student Share (Net Tuition & Fees)</u>		
	2003-05	2005-07		2003-05	2005-07	
	<u>Bienn.</u>	<u>Bienn.</u>	<u>Target</u>	<u>Bienn.</u>	<u>Bienn.</u>	<u>Target</u>
BSC	50%	49%	75%	50%	51%	25%
DSU	56%	49%	70%	44%	51%	30%
LRSC	50%	50%	75%	50%	50%	25%
MaSU ¹	70%	68%	70%	30%	32%	30%
MiSU	58%	53%	65%	42%	47%	35%
MiSU-B	73%	69%	75%	27%	31%	25%
NDSCS	66%	61%	75%	34%	39%	25%
NDSU ²	42%	38%	60%	58%	62%	40%
UND ³	42%	40%	60%	58%	60%	40%
VCSU ¹	73%	65%	70%	27%	35%	30%
WSC	65%	65%	75%	35%	35%	25%
NDUS						
Average	48%	44%		52%	56%	

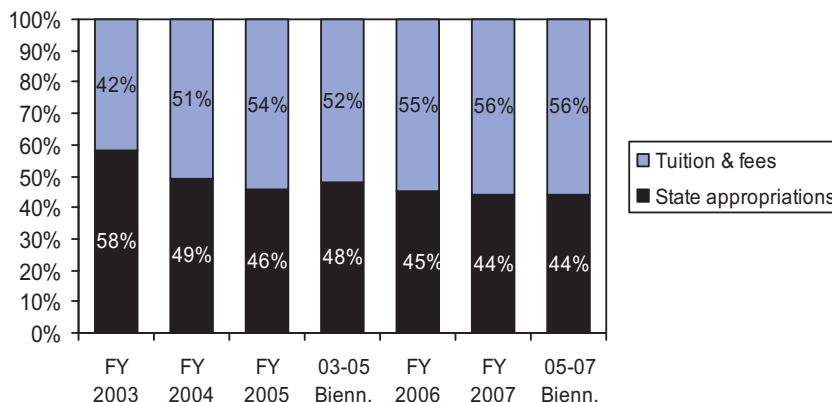
¹ Technology revenues subtracted from tuition revenues: Mayville \$1,203,401 (2003-05) and \$1,243,728 (FY 2005-07); Valley City \$1,672,387 (2003-05) and \$1,017,171 (FY 2005-07).

² NDSU state appropriations reduced for: HECN and ConnectND \$6,940,288 (2003-05) and \$7,881,414 (FY 2005-07); Ag Extension and Experiment \$52,460,500 (2003-05) and \$54,718,376 (FY 2005-07); and flood appropriations \$1,700,000 (2003-05) and \$289,092 (2005-07).

³ UND state appropriations reduced for: HECN, ConnectND, IVN and ODIN \$11,952,482 (2003-05) and \$12,502,911 (FY 2005-07); and flood appropriations \$1,571,000 (2003-05) and \$2,069,727 (FY 2005-07).

Data Source: IPEDS Fall 2003 and Fall 2004 Enrollment Data, NDUS Long-Term Finance Plan and FY 2004, FY 2005, FY 2006 and FY 2007 NDUS audited financial statements.

NDUS Average State and Student Shares



None of the 11 institutions met their student share targets for the 2003–05 and 2005–07 biennia. For the colleges and universities to meet these targets, a higher proportion of funding must be provided by the state.

The capital asset funding model calls for funding all institutions at 100 percent of the 2005–07 Office of Management and Budget building and infrastructure formula (\$49.7 million), phased in over 10 years, plus 100 percent funding of outstanding deferred maintenance (\$109.2 million), phased in over 14 years.

The 2005–07 capital asset appropriation for all NDUS institutions, excluding major capital projects, was \$6.7 million, compared to the total outstanding needs of \$158.9 million as determined by the capital asset funding model.

NDUS institutions are funded at an average of 13.4 percent of the OMB formula, ranging from 6.2 percent at LRSC to 20.6 percent at MiSU-B. Overall, NDUS institutions are funded at 4.2 percent of the total needs of \$158.9 million, including deferred maintenance, ranging from 2 percent at MaSU to 7.6 percent at NDSCS.

Capital Asset Funding Model Compared to 2005–07 Capital Asset Appropriation

	Capital Asset Formula			Current 2005–07 Appropriation		
	OMB Bldg & Infrastructure*	Deferred Maintenance	Outstanding Needs	Total 2005–07 Appropriation**	Current % OMB Formula	% Total Combined Needs
BSC	\$1,801,378	\$1,776,643	\$3,578,021	\$243,481	13.5%	6.8%
DSU	1,891,855	10,435,359	12,327,214	383,690	20.3%	3.1%
LRSC	708,795	215,497	924,292	43,662	6.2%	4.7%
MaSU	1,222,071	9,426,560	10,648,631	208,994	17.1%	2.0%
MiSU	3,392,542	8,263,800	11,656,342	596,870	17.6%	5.1%
MiSU-B	533,315	1,729,848	2,263,163	109,725	20.6%	4.8%
NDSCS	4,357,796	5,511,781	9,869,577	753,332	17.3%	7.6%
NDSU	12,432,651	28,783,963	41,216,614	1,692,226	13.6%	4.1%
UND	20,750,839	33,055,372	53,806,211	2,300,545	11.1%	4.3%
VCSU	1,560,967	8,431,917	9,992,884	258,416	16.6%	2.6%
WSC	1,028,778	1,542,938	2,571,716	86,475	8.4%	3.4%
TOTAL	\$49,680,987	\$109,173,678	\$158,854,665	\$6,677,416	\$13.4%	\$4.2%

* OMB formula generated amount.

** One-time appropriations have been excluded from the total 2005–07 appropriation column for the following: MaSU, \$150,000 repairs in Old Main; MiSU, \$80,000 repairs in Student Union; and WSC, \$90,000 repairs in Stevens Hall.

Ratio of Incentive Funding to NDUS Total State Funding

Measure FR10

(SBHE-8)

Ratio of incentive funding to total NDUS state general fund appropriations

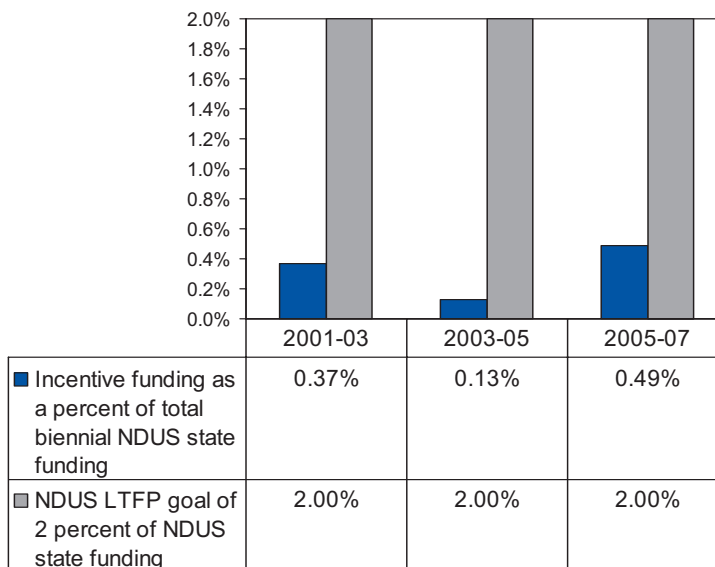
About This Measure

This measure reports on progress toward achieving the North Dakota University System Long-Term Finance Plan goal of providing incentive funding equal to 2 percent of higher education's total state general fund appropriation. Known as the Board Initiative Fund, these monies are allocated by the State Board of Higher Education to support University System and state priorities.

For the 2005-07 biennium, \$1,885,000 was appropriated for the Board Initiative Fund. This is equivalent to .49 percent of the 2005-07 state general fund appropriation for higher education. The recommended level of 2 percent would be equal to \$7.8 million for the 2005-07 biennium or \$3.9 million per year.

The following chart shows the legislative appropriation for the Board Initiative Fund in comparison to the 2 percent goal over the past three biennia.

Percentage of Total NDUS State Funding Appropriated for Incentive (Board Initiative) Funding Compared to Long-Term Finance Plan Goal 2001-03 through 2005-07 Biennia



Data Source: NDUS Long-Term Finance Plan and 2001, 2003 and 2005 Legislative Appropriations.

How well does North Dakota provide funding for state priorities, compared to the Long-Term Finance Plan?

The state funded .49 percent of the total NDUS appropriation for incentive funding for the 2005-07 biennium, compared to the Long-Term Finance Plan goal of 2 percent.

Ratio of NDUS General Fund Appropriation to Total State General Fund Appropriation

Measure FR11

(SBHE-9)

Ratio of NDUS state general fund appropriation levels to total state general fund appropriations

About This Measure

This measure reports on public higher education's share of total state general fund appropriations.

Over the past five biennia, higher education's share of the total state budget has decreased from 20.3 percent in 1997-99 to 19.5 percent in 2005-07 with a peak of 21 percent in 2001-03. Although the percentage differences may not seem significant, the NDUS would have received an additional \$16 million in 2005-07 if funded at the 1997-99 level of 20.3 percent. The NDUS would have received \$30 million more in 2005-07 if funding continued at the 2001-03 level of 21 percent as recommended by private sector members of the Roundtable on Higher Education. Based on 2005-07 state spending, each 1 percent change is equivalent to \$20 million.

At the same time higher education's share of the state budget decreased, enrollment increased steadily from 28,278 FTE students in Fall 1997 to 35,374 in Fall 2006, an increase of more than 7,000 students or 25 percent. Higher education's 2005-07 share of 19.5 percent includes \$1.35 million in state funding for workforce training included in the State Board for Career and Technical Education appropriation.

NDUS State Appropriation as a Percent of Total State Appropriation 1997-99 through 2005-07 Biennia

<u>Biennium</u>	<u>NDUS State Appropriation (In Millions)¹</u>	<u>Total State Appropriation (In Millions)</u>	<u>Percent of NDUS to Total State Appropriation</u>
1997-99	\$302.24	\$1,489.24	20.3%
1999-01	\$327.41	\$1,594.04	20.5%
2001-03	\$366.95	\$1,746.98	21.0%
2003-05	\$362.89	\$1,803.66	20.1%
2005-07	\$388.51	\$1,989.45	19.5%

¹ Excludes NDSU Ag Extension and Research Centers.

How much of the total state budget is being invested in higher education?

Higher education's share of the 2005-07 total state appropriation is 19.5 percent, a decrease from 21 percent in 2001-03.

Campus Activities Align with Roundtable Expectations

Fundamental changes are taking place at the 11 colleges and universities that make up the North Dakota University System. These changes demonstrate the system's commitment to attaining the goals of the Roundtable Report and to meeting the expectations of SB 2003. Highlights of 2007 accomplishments follow.

Bismarck State College (BSC)

- In May, BSC received federal designation in Department of Energy legislation when U.S. Energy Secretary Samuel Bodman designated the college as the National Power Plant Operations Technology and Education Center. This status recognizes BSC as the premier national center of education and training for operators and technicians in the energy industry.
- The Mechanical Maintenance Technology Program began in 2007 at the BSC-Mandan Campus, a new 12,500 sq. ft. facility. Requested by industry, the program is the first of its kind in the North Dakota University System and the region. Mechanical maintenance technicians install, repair and maintain industrial equipment. During 2007, 38 students were enrolled.
- In July, BSC received approval from the Higher Learning Commission of the North Central Association to offer a bachelor of applied science in energy management. The degree is designed to educate energy workers for supervisory and management positions.
- The Southwest Workforce Training Region coordinated training for 3,434 people from 273 businesses in 2006-07 through BSC's Division of Continuing Education, Training and Innovation. This was an increase of 600 people and 42 businesses compared to the previous year. Client satisfaction was 99.5 percent, and 96 of the businesses served requested additional training.
- BSC Theatre was selected to perform in the Region V Showcase of Invited Scenes at the Kennedy Center American College Theater Festival at Iowa State University. In January, students performed a scene from "Nickel and Dimed." It was BSC's third showcase appearance in five years. Of the 260 entered productions, BSC's entry made the short list of 18 selected plays and was one of eight shows in the showcase.

Dickinson State University (DSU)

- The North Dakota Trade Office received a \$129,000 grant from the U.S. Department of Commerce International Trade Administration to build on North Dakota's success in expanding exports of agricultural equipment to Ukraine. DSU will be directly involved in implementing the grant, in part because of the established relationship between the university and the National Agricultural University of Ukraine.
- Enrollment at DSU is up for the 12th consecutive year with 2,670 students enrolled for Fall 2007, a 3.8 percent increase compared to last year when 2,572 students were enrolled. Increases in nontraditional and international students are two of the main contributors to the university's consistent growth.
- Gov. John Hoeven was among the distinguished guests who spoke at the DSU Murphy Hall Science Building dedication ceremony Sept. 7. The completed \$9.9 million addition and renovation project provides students with an additional 34,308 sq. ft. of learning space, state-of-the-art chemistry

and biology labs, a greenhouse and teaching auditoriums equipped with cutting-edge technology.

- DSU officially opened the Strom Center for Entrepreneurship and Innovation Aug. 24. The DSU Economic Development Center of Excellence was created to help revitalize the region's economy by providing a support network for entrepreneurial endeavors and by helping western North Dakota communities develop quality of place.
- DSU was awarded a \$500,000 Bush Foundation grant to be used to help communities in western North Dakota revitalize their economies and improve quality of place. The project will focus on attracting people, heritage tourism and the arts, entrepreneurial development, and Native American community and economic development.

Lake Region State College (LRSC)

- Family, friends and colleagues of Dr. Sharon Etemad and alumni and supporters of LRSC gathered Nov. 14 to celebrate Dr. Etemad's long and distinguished career. Etemad will retire from the presidency of LRSC in January 2008 after 25 years of dedicated service to the college. Her assistant, Helen Nelson, also is retiring after 23 years of service to LRSC.
- Representatives of Oman's Royal Air Force visited LRSC Nov. 12 through 16 to evaluate the possibility of enrolling air force personnel in the college's simulator maintenance technician program, which is one of only two such programs offered in the U.S.
- Twenty-six students graduated from LRSC's Peace Officer Training Summer Program Aug. 16. The program is a partnership between LRSC and the Fargo Police Department. Since the Fargo program started in 2002, more than 60 graduates have been hired by regional police departments. The day also marked the 20th anniversary of the LRSC Peace Officer Training Program. LRSC has held 46 consecutive academies since August 1987.
- The National Council for Marketing & Public Relations (NCMPR) recently recognized LRSC with the 2006 Gold Paragon Award for best Web site. Paragon Awards recognize outstanding achievement in communication at community, junior and technical colleges. It is the only national competition of its kind that honors excellence exclusively among marketing and public relations professionals at two-year colleges.
- LRSC student Theresa Lee was named the New Century Scholar for North Dakota, an award that recognizes the top scholar from North Dakota's two-year colleges. Lee received a \$2,000 scholarship, and LRSC received recognition at the American Association of Community Colleges Convention. The program is sponsored by AACC, Coca-Cola Foundations and Phi Theta Kappa.

Mayville State University (MaSU)

- MaSU is reaching out to North Dakota's Native American population. Officials from MaSU and Cankdeska Cikana Community College (CCCC) in Fort Totten, N.D., are discussing a range of possible partnerships, including MaSU's delivery of four-year degree courses to place-bound CCCC graduates and increasing the number of Spirit Lake Nation reservation residents who enroll on the Mayville campus.
- MaSU faculty Jeff Sieg and Laurie Berry were selected for the 2007 North Dakota Space Grant Consortium Summer Fellowship Program, which is designed to give college faculty an opportunity to develop or revise academic

courses in support of NASA's science, technology, engineering and mathematics (STEM) objectives. Sieg and Berry enhanced space science education and strategies for teaching space science in MaSU's elementary education program. MaSU students presented their science lessons for May-Port CG elementary school students in late October, and second and third-grade students visited MaSU to talk with astronaut Mike Fossum from NASA in Houston via the Interactive Video Network.

- Led by the Division of Education and Psychology, MaSU elementary and secondary education interns and faculty from across the campus provided all curricular and other activities for Northwood, N.D., K - 6 students who were housed at the former Portland, N.D., school building for a couple of weeks. The Northwood school building was severely damaged when a tornado ripped through the town on Aug. 26. MaSU interns taught classes, and faculty advised students, taught some classes and organized donations of school and other supplies as well as healthy snacks.
- MaSU will receive \$1.9 million from the Strengthening Institutions Program of the U.S. Department of Education over the next five years. The grant will assist in developing and delivering academic programs and will help improve student retention. Distance learning capabilities and program offerings will be expanded. The grant began Oct. 1.
- The 2006-07 MaSU men's basketball team made history by advancing to the NAIA Division II national championship game. No other North Dakota collegiate men's basketball team had played for a national championship before. This year marked MaSU's third-straight trip to the national tournament, second-straight trip to the national Final Eight and the first-ever trip to the Fab Four. Head Coach Craig Smith was named NAIA Division II coach of the year, and the Comets earned the Naismith/Linton Sportsmanship Award.

Minot State University (MiSU)

- The result of broad-based participation, MiSU's strategic plan "Vision 2013: A Vision for the Future of Minot State University" was printed and widely distributed throughout the year. Along with a new mission, it includes the powerful goal that MiSU "will achieve national distinction as one of the premier public, regional universities in the 'great' Great Plains."
- MiSU President David Fuller signed three-year partnership agreements with Jim Davis, Turtle Mountain Community College president, Feb. 27 and David Gipp, United Tribes Technical College president, June 19. These accords increase the options for tribal community college students to attain four-year degrees and promote the exploration of academic program collaboration and faculty and student exchanges. MiSU struck a similar agreement with Fort Berthold Community College in December 2006.
- President Fuller and five academic officers visited Scandinavia in June to establish international study partnerships. While there, Fuller and Dag Bjerketvedt, rector of Telemark University College in Norway, signed an agreement. MiSU established a partnership in January with Kristianstad University in Sweden and anticipates finalizing an agreement with Aalborg University in Denmark.

- MiSU is hosting its first group of Chinese exchange students from SIAS International University during the 2007-08 academic year. Fifteen students will reside on campus while earning MiSU's accelerated M.S. in management. As part of the program, they will be paired with area students to study industry-related projects.
- MiSU is one of 13 four-year institutions selected in August to participate in the national higher education project Foundations of Excellence® in the First College Year. The project will help MiSU develop and refine its overall approach to educating first-year students and helping them be successful.

Minot State University-Bottineau (MiSU-B)

- MiSU-B received a \$270,000 grant from the federal Department of Commerce's Economic Development Administration to support operation of a University Center Economic Development Program. The EDA implements its mission by making strategic investments that encourage private sector collaboration and creation of high-skill, high-wage jobs. The MiSU-B grant will promote the specialty and vegetable production industry and is matched by local resources.
- The 2006-07 MiSU-B men's hockey team was named the spring academic team of the year by the National Junior College Athletic Association. The team GPA was 3.22. The 30-member squad captured the national championship title on home ice in March.
- The fourth annual Turtle Mountain Birding Festival was held at MiSU-B on May 18-20. Individuals from Alabama, California, Wyoming, Colorado, Maryland, Indiana, New York and North Dakota as well as Manitoba participated in the event. The Turtle Mountain Forest and J. Clark Salyer Wildlife Refuge were prime locations for the birders to add to their life lists.
- At the beginning of Spring 2007, MiSU-B opened a racquetball addition to the fitness facility connected to Thatcher Hall. The racquetball court was a gift from a college benefactor.
- MiSU-B has adopted a campus theme that will be threaded through the culture of the college. The focus "Nature, Technology and Beyond" mirrors the college's foundation of providing natural resource programming and updates it to reflect today's societal needs.

North Dakota State College of Science (NDSCS)

- In March, NDSCS students Bryan Bork and Austin Emerson won the Agricultural Mechanics Service Technician Award competition at the 28th annual National Postsecondary Agricultural Student Organization gathering in Idaho Falls, Idaho. Both are enrolled in the John Deere Ag Tech Program. Bork also was the highest-scoring individual in the national contest.
- NDSCS students and faculty participated in a three-week course at the NDSU Center for Nanoscale Science and Engineering in June. Students in the laboratory instrumentation course, NANO 205, learned how clean rooms operate, how to work in them and how to use instruments found in high-tech industry settings.
- NDSCS conducted a three-day diesel technology seminar for 23 high school faculty and guidance counselors in June. Funded in part by a

North Dakota Career and Technical Education grant, the seminar highlighted the latest technology used in the agriculture, construction and trucking industries.

- An international delegation visited NDSCS in September as part of a trade visit sponsored by the North Dakota Trade Office. The group of about 65 – including delegates from Kazakhstan, the Ukraine, Russia, Moldova, Uzbekistan and the Republic of Georgia – toured college outreach, agriculture and several diesel technology areas.
- In September, NDSCS co-sponsored the Disney Institute's professional development program. More than 300 people, including NDSCS faculty and staff, attended the one-day event in Fargo and learned how to apply Disney's innovative approach to leadership, management, service and loyalty. NDSCS also received a complimentary session featuring an inside look at the Disney operation.

North Dakota State University (NDSU)

- The capital campaign "Momentum: The \$75 Million Campaign for North Dakota State University" reached a highly successful conclusion. President Chapman announced Oct. 4 that the campaign ended with gifts and pledges totaling more than \$108 million.
- NDSU's Fall 2007 enrollment reached a record for the eighth straight year. Official third-week numbers showed 12,527 students in the university's undergraduate and graduate programs. With 1,776 students enrolled, this is the 10th consecutive year of record graduate student enrollment.
- In August, NDSU researchers received the largest competitive grant in the university's history – a five-year, \$10.5 million grant from the National Institutes of Health to develop new strategies for targeting protease in disease. NDSU's research expenditures continue to increase, totaling \$103.8 million in FY 2006. The National Science Foundation ranked NDSU 127th out of more than 600 research universities in the U.S., Guam, U.S. Virgin Islands and Puerto Rico. The ranking is based on total FY 2006 research expenditures, the most recent national figures available. NDSU is listed in the Top 100 National Science Foundation rankings for research expenditures in physical sciences, chemistry, psychology, agricultural sciences and social sciences.
- The NDSU Downtown building received a "certified" rating through Leadership in Energy and Environmental Design from the U.S. Green Building Council. LEED is a building industry coalition that promotes environmentally responsible building.
- The NDSU chapter of the American Society of Civil Engineers defeated 42 colleges in the 16th annual National Student Steel Bridge Competition. This is the fifth time the chapter has won the national title.

University of North Dakota (UND)

- Pamela Bridgewater, U.S. ambassador to Ghana, said she wants to include the UND Conflict Resolution Center in a U.S./Ghana military exchange program, "to look at ways to reinforce what we're doing with other development partners in cooperation and in conjunction with Ghanaians who are similarly trying to mitigate against conflict." Bridgewater was in Bismarck in early November to visit with

state officials about expanding a military exchange program between the North Dakota National Guard and the West African country.

- The Engelstad Family Foundation pledged \$20 million to UND to fund endowed chairs in medicine and engineering as well as more than 100 scholarships. UND also received \$5 million from the late Louise (Sutton) Ferguson, '37, to fund high-achiever students and an anonymous \$1 million gift for Division I scholarships.
- UND School of Medicine and Health Sciences ranks fourth out of 125 medical schools in the country for producing family medicine physicians, according to the American Academy of Family Physicians (AAFP). UND earned an Achievement Award, which recognizes outstanding efforts to foster student interest in family medicine and to produce graduates who enter the specialty.
- Students and faculty led by UND physics faculty member Dr. Timothy Young launched North Dakota's first educational rocket from a field just south of Larimore. The rocket soared to more than 1,800 feet, separated into three pieces as planned and made a perfect landing close to the launch site.
- Dr. Andrei Kirilenko, UND associate professor in earth system science and policy, shared in the Nobel Peace Prize awarded to Al Gore in October. Kirilenko was an author of the Intergovernmental Panel on Climate Change. He represented Russia as a lead author of the chapter on climate change impact on forestry, agriculture, fisheries and ranges.

Valley City State University (VCSU)

- VCSU expanded its information technology curriculum by adding innovative certificates in emerging fields: customer relationship management (CRM) and enterprise applications. To give students hands-on experience with popular application software, VCSU joined the SAP University Alliances program. The certificate in enterprise applications was made available online to increase the program's accessibility.
- Students in VCSU's health science major took advantage of unique opportunities to conduct research programs as undergraduates, and their proposals to present the results of their research were accepted by regional and national conferences. Graduates from the program earned high rates of acceptance into nationally recognized graduate and professional programs.
- VCSU's online master of education continued rapid growth with the addition of a new concentration in library and information technologies. Curriculum development and tuition assistance was funded in part by a grant from the Laura Bush 21st Century Librarian program administered by the Institute of Museum and Library Services.
- The Education Standards and Practices Board approved VCSU's master's program in technology education for initial licensure in North Dakota, giving students an additional avenue to become licensed and extending VCSU's ability to serve teachers nationwide. The Maryland Department of Education signed a memorandum of understanding allowing VCSU to offer the program to Maryland teachers.
- VCSU was recognized in the "America's Best Colleges 2008" edition of U.S. News & World Report as one of the top four public baccalaureate colleges in the Midwest. This marks the 10th consecutive year VCSU has received this recognition.

Williston State College (WSC)

- Jackie Stenehjem WSC GIS instructor, and Angie Milakovik, BSC GIS instructor, completed two weeks of specialized training in Corpus Christi, Texas. The training was provided by staff from NASA and other agencies in conjunction with a competitive National Science Foundation grant called iGETT (Integrated Geospatial Education and Technology Training), which helps two-year college faculty develop and integrate remote sensing technology with existing geographic information systems (GIS) courses or programs. Only 20 two-year colleges in the nation were accepted into the program. The value of the grant, which also includes free computer lab licenses, is more than \$65,000 per college.
- In March 2007, WSC received formal notification that the Institutional Actions Committee of The Higher Learning Commission voted to accept WSC's application to join the Academic Quality Improvement Program (AQIP). This change in WSC's affiliation status with The Higher Learning Commission changes their next reaffirmation of affiliation to 2014 – 15.
- Beau Anderson, WSC adult farm management instructor, was recognized as the outstanding young farmer by the North Dakota Jaycees at their annual banquet in January. He is the sole operator of 1,100 acres of tillable farmland with an additional 600 acres used for cattle. Anderson will represent North Dakota in the National OYF Congress in February 2008.
- Phil Rabon, a retired WSC employee, received the Western Star Award from the Williston Area Chamber of Commerce at the chamber's annual banquet in January. He received this award in recognition of his lifetime contributions to the Williston region, as well as his love for the community.

