1. **Issue:** UND will renovate a limited amount of space at the former SMHS in order to relocate departments from buildings scheduled to be deactivated. UND has indicated that there is a high probability that digital classrooms will be constructed at the same time as the renovation work is completed. Additional classroom space is not supported by current levels of space utilization at UND, nor has UND (or any institution) received approval of that portion of its master plan which determines the facility needs for programs, including new classrooms. Approval of master plan components related to program needs is pending completion of strategic plans.

2. **Proposed motion:** Authorize UND to proceed with various remodeling identified to repurpose the former SMHS building at an estimated cost of $3,300,000 to be funded by $1.3 million in extraordinary repair funding and $2 million in appropriated funds. Approval of additional classroom space will only be considered after completion and approval of a strategic plan, as well as the portion of the master plan related to facility needs for programs.

3. **Background:** UND is decommissioning buildings as a means to reduce the overall campus footprint. Some of the affected departments are being relocated to the SMHS, where renovations sufficient to maintain departmental operations are needed. The resulting decommissioning has a significant impact on total deferred maintenance, therefore the work has a direct impact on lowering deferred maintenance liabilities.

   Additionally, there is a high probability that during this project’s construction timeframe, digital labs and classrooms will be constructed for the department of communication that would be $1.4 million in addition to the estimated $3.3 million noted above. Approval to proceed with this project is not requested at this time, but included now only as a notice of intent.

4. **Financial implications:** Funds for this project are derived from extraordinary repair funding ($1.3 million) identified by the 64th Legislative Assembly plus $2 million in appropriated funds. Funds are sufficient and available for this project and do not include unrestricted gift income.

5. **Academic implications:** Consolidation of space will provide opportunities to improve the quality of the work-study environment, and it will have a positive impact on the mission of teaching and learning. For example, communication sciences and disorders will benefit from this project as the department has been struggling in its current location to attain its required accreditation standards. By reducing the space occupied, UND will be able to better focus limited resources.

6. **Legal/policy issues:** None

7. **Review Process:** Rick Tonder

8. **Enclosures:** SBHE agenda item

9. **Contact person:** Alice Brekke, VP for finance and operations, alice.brekke@UND.edu, 701-777-3511

10. **Chancellor’s Recommendation:** Approve proposed motion.