The State Board of Higher Education Budget and Finance Committee met via conference call, Tuesday, February 14, 2017, at 9:00 a.m. CT. The call originating from the North Dakota University System Office, 10th Floor, 600 East Boulevard Ave., Bismarck, ND 58505.

Chair Stemen called the meeting to order at 9:00 a.m. CT.

SBHE Budget and Finance Committee members participating:
Mr. Greg Stemen, Chair
Mr. Nick Hacker
Ms. Kari Reichert
Mr. Andy Wakeford

Other participants:
Mr. Rick Tonder, NDUS
Mr. David Krebsbach, NDUS
Ms. Karol Riedman, NDUS
Ms. Laura Schratt, NDUS
Dr. Richard Rothen, NDUS
Ms. Billie Jo Lorus, NDUS
Mr. Chris Pieske, AG’s Office
Mr. Nick Vaughn, AG’s Office
Dean Jerry Migler, DCB
Mr. Steve Bensen, MaSU
Dr. Ernst Pjining, CCF
Mr. President Shirley, MisU
Mr. Brent Winiger, MisU
Ms. Tamara Barber, BSC
Ms. Alice Brekke, UND
Ms. Kristie Hetzler, NDUS
President Richman, NDSCS
Mr. Dennis Gladden, NDSCS
President Darling, LRSC
Mr. Corry Kenner, LRSC
Mr. Westley Wintch, VCSU

1. **Agenda**
   Hacker moved, Reichert seconded, to approve the agenda.
   Reichert, Hacker, and Stemen voted yes.

2. **Meeting Minutes**
   Reichert moved, Hacker seconded, to approve the January 17, meeting minutes.
   Hacker, Reichert, and Stemen voted yes.

3. **Policy 505**
Richard Rothaus reviewed the changes to policy 505, regarding international student health insurance. The significant change will differentiate the cost of student health insurance for international and domestic students.

4. **Policy 605.3**
   Chancellor Hagerott indicated that policy 605.3 has been vetted through the councils, Cabinet, SBHE Committees. It will also be discussed by the sub-committee on Friday and go to full Board for a second reading on February 23.

5. **UND Remodeling of former School of Medicine Building**
   The committee discussed authorizing UND to proceed with various remodeling identified to repurpose the former SMHS building at an estimated cost of $3.3 million 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.

   Reichert moved, Hacker seconded, to approve moving item 5, the UND Medical School renovation forward with the contingency of UND providing more information.

   Hacker, Reichert, and Stemen voted yes.

6. **MaSU Refinancing MaSU Housing and Auxiliary Facilities Revenue Bonds**
   Hacker moved, Reichert seconded, to approve MaSU requests authorization of a resolution approving:
   a) The issuance of not to exceed $3 million State Board of Higher Education of the State of North Dakota, Mayville State University, Housing and Auxiliary Facilities Revenue Refunding Bonds, Series 2017A, for the purpose of refinancing the outstanding MaSU Housing and Auxiliary Facilities Revenue Bonds, Series 2010 (Build America Bonds), maturing on and after October 1, 2017, and paying the costs of issuance of the Series 2017A bonds;
   b) Authorize the execution of a Supplemental Indenture of Trust, Bond Purchase Agreement and Related Documents;
   c) Authorize the MaSU President and Vice President for Business Affairs to approve the sale of the bonds (Series 2017A) provided that the true interest rate not exceed 5%, provided the present value of the debt service savings is not less than 3%. The approximate final date upon which the principal amount of the obligation will mature or become payable is October 1, 2029; and
   d) Appoint the firm of Arntson Stewart Wegner PC as the bond counsel and AMKO Advisors, LLC (Independent Municipal Advisors to Government) as the municipal advisor.

   Hacker, Reichert, and Stemen voted yes.
7. **NDSU Reed Hall Elevator Replacement**
   Reichert moved, Hacker seconded, to authorize NDSU to proceed with the Elevator Replacement Project at Reed Hall at an estimated cost of $279,000 to be funded from auxiliary local funds.
   
   Hacker, Reichert, and Stemen voted yes.

8. **Preliminary Room and Board Rates and Fees**
   Dave Krebsbach gave an overview of the Preliminary Room and Board Rates and Fees.

The meeting adjourned at 10:55 a.m. CT.