

**North Dakota State Board of Higher Education
Budget and Finance Committee**
April 21, 2020, Meeting Minute

The State Board of Higher Education Budget and Finance Committee met Tuesday, April 21, 2020, via conference call @ 3:30 p.m. CT. The call originated from the State Capitol, Roosevelt Room, 600 E. Boulevard Ave., Bismarck, ND.

Chair Mihalick called the meeting to order at 3:30 p.m. CT.

SBHE Budget and Finance Committee members participating:

Mr. Tim Mihalick, Chair
Dr. Casey Ryan

Other participants:

Chancellor Hagerott
Ms. Robin Putnam, NDUS
President Darling, LRSC
Ms. Joann Kitchens, LRSC
Mr. Mike Ellingson, NDSU
Mr. Westley Wintch, VCSU
Ms. Becky Collins, BSC
Mr. Dennis Gladden, NDSCS
Mr. Dave Krebsbach, NDUS
Mr. Jed Shivers, UND
Ms. Kristie Hetzler, NDUS
Ms. Terry Meyer, NDUS
Mr. Bruce Bollinger, NDSU
Mr. Eric Olson, Asst. A.G. and General Counsel

President Bresciani, NDSU
President Shirley, MiSU
Ms. Jonell Watson, MiSU
Ms. Maryann Olson, NDUS
Mr. Rick Tonder, NDUS
Mr. Brent Winiger, MiSU
Mr. Steven Benson, MaSU
Mr. Riley Yadon, WSC
Ms. Laura Nelson, DSU
Ms. Cyndy Rott, UND
Ms. Tammy Dolan
Mr. Darin King, CTS

1. **Agenda**

Ryan moved, to approve agenda.

Ryan and Mihalick voted yes.

2. **Meeting Minutes**

Ryan moved to approve the February 18, 2020, meeting minutes.

Ryan and Mihalick voted yes.

3. **Policies (REAFFIRM)**

Ms. Karol Riedman reviewed policies 604.3, 606.1, 607.0, and 616 for re-affirmation. Ms. Tammy Dolan reviewed policy 609 for re-affirmation.

600's (a – e):

- a. Policy 604.3 Performance Evaluations: Benefited Employees – Ms. Karol Riedman
- b. Policy 606.1 Classification - Higher Education Employees –Ms. Karol Riedman
- c. Policy 607.0 Application of Human Resource Policy Manual; Compensation and Benefits – Ms. Karol Riedman

- d. Policy 616 Career & Technical Program Instructor Certifications Standards – Ms. Karol Riedman
- e. Policy 609 Communications Proficiency – Ms. Tammy Dolan

Ryan moved to recommend approval to re-affirm policies 604.3, 606.1, 607.0, 616, and 609.

Ryan and Mihalick voted yes.

4. Policies (AMEND)

Ms. Tammy Dolan reviewed proposed amendments to policy 840.

- a. [Policy 840](#) Contract Review

Ryan moved to recommend approval of policy 840.

Ryan and Mihalick voted yes.

Ms. Karol Riedman reviewed proposed amendments to policy 611.5.

- b. [Policy 611.5](#) Employee Responsibility and Activities: Outside Employment or Consulting Practices; Use of Institution Property

Ryan moved to recommend approval of policy 611.5.

Ryan and Mihalick voted yes.

[HR \(c – f\)](#)

- c. Policy HR6 Annual Leave
- d. Policy HR7 Sick Leave
- e. Policy HR21 Leave Without Pay
- f. Policy HR22 Family (FMLA) Leave

Ryan moved to recommend approval of policies HR6, HR7, HR21, HR22.

Ryan and Mihalick voted yes.

Mr. Darin King reviewed proposed amendments to policy 1200.1.

- g. [Policy 1200.1](#) Consolidated IT Services

Ryan moved to recommend approval of policy 1200.1.

Ryan and Mihalick voted yes.

5. NDUS Capital Project Resolution

[NDUS capital project Resolution](#) authorizing North Dakota Bonding Authority to issue notes and bonds to finance the construction of higher education projects authorized by the Sixty-sixth Legislative Assembly, and (2) authorize the execution of related documents necessary for financing the projects.

Ryan moved to recommend approval of the NDUS Capital Project Resolution, item 5.

Ryan and Mihalick voted yes.

6. Seed Cleaning Facility Williston REC

Ratify Chancellor's interim authorization, to the extent permitted by NDCC 15-12.1-17.6, for NDSU to increase the SBHE project authorization for [a Seed Cleaning Facility at the Williston REC](#) in Williston, ND, from \$725,000 to \$1,475,500.

Ryan moved to recommend approval of the seed cleaning facility in Williston (REC), item 6.

Ryan and Mihalick voted yes.

7. NDSU Science Hall

NDSU to [name NDSU Science Hall \(formerly referred to as Dunbar II\)](#) as Sugihara Hall in honor of Dr. James M. Sugihara as per SBHE Policy 902.12.

The Committee discussed and requested NDSU representatives confirm that all previous donors and/or any other ties to Dunbar have been notified of NDSU's intent. The committee also requested to move the request to full Board without a recommendation.

8. Annual Financial Report

Ms. Robin Putnam reviewed the [Annual Financial Report](#).

9. Tuition Waiver Report

Ms. Brenda Zastoupil reviewed the [Tuition Waiver Report](#).

10. Mid-Year Budget Report

Mr. David Krebsbach reviewed the [Mid-year Budget Report](#).

11. Biennial Budget Update

Ms. Tammy Dolan provided the committee with information regarding the following:

- 2021-23 Budget Request Process moving forward as planned
- Expect Governor's budget guidelines end of April / 1st week of May
- OMB working with Moody's on new revenue forecast that will serve as the basis for budget guidelines and any mid-biennium budget adjustments or allotments
- Have been preparing background information for 2021-23 budget request. Will move full speed ahead when guidelines are released.
- Will discuss with BFC at meetings in May & June, with hopes of getting SBHE approval at end of June.
- COVID Pandemic implications & costs (\$20 million minimum – may be partially offset by federal relief funding – continues to grow), federal relief funding, drop off in energy sector, difficult agriculture sector all will impact the State's revenue forecast for both this biennium and the next. The extent to which is unknown at this time. More unknown than known at this time. Due to uncertainties, institutions & System Office operating very conservatively. Hiring chill/frost/freeze at all entities, to ensure only most critical positions are filled. Limiting unnecessary expenditures. While still moving forward, adapting to new normal.

12. COVID-19 Implications/Plans

Chancellor Hagerott will continue to work with the campuses on plans moving forward; the COVID-19 environment is continually changing, and period updates will be provided to the Board.

The Meeting adjourned at 4:40 p.m. CT.

Approved May 21, 2020.