

DRAFT

North Dakota State Board of Higher Education

June 15, 2021, Budget and Finance Committee Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via Teams/conf. call on June 15, at 2:30 p.m. CT. The call will originate on the 10th floor of the State Capitol, NDUS Conference Room, 600 E. Boulevard Ave., Bismarck, ND.

Chair Mihalick called the meeting to order at 2:30 p.m. CT.

SBHE Budget and Finance Committee members participating:

Mr. Tim Mihalick, Chair
Dr. Casey Ryan
Ms. Danita Bye
Ms. Retha Mattern, non-voting advisor

Other participants:

Chancellor Hagerott
Ms. Sonya Koble, BSC
Ms. Karin Hegstad, NDSU
President Van Horn, MaSU
Mr. Mike Pieper, UND
Mr. Brent Winiger, MiSU
President Bresciani, NDSU
Mr. Bruce Bollinger, NDSU
Mr. Corry Kenner, LRSC
President Darling, LRSC
Mr. David Krebsbach, NDUS
President Jensen, BSC
Mr. Jeffry Volk, Incoming Board Member
Mr. Eric Olson, AG Office

Ms. Tammy Dolan, NDUS
Mr. Kent Anderson, DSU
Mr. Westley Wintch, VCSU
Dean Migler, DCB
Mr. Jeffrey Holm, UND
President Richman, NDSCS
Ms. Jane Grinde, NDUS
Mr. Jed Shivers, UND
Ms. Terry Meyer, NDUS
Ms. Joann Kitchens, LRSC
Ms. Nancy Peterson, UND Foundation
Mr. Keith Johnson, NDSCS
Ms. Loretta Forsberg, Forest Svc

Ryan moved, Bye seconded, to approve the agenda, the April 20th, and May 18, 2021, meeting minutes, items 1 and 2:

1. **Agenda**
And;
2. **Meeting Minutes**

Ryan, Bye, and Mihalick voted yes.

3. **SBHE & System Office FY22 & FY23 Operating Budgets & Campus Assessments**
Vice Chancellor Dolan proposed the [SBHE & System Office FY22 & FY23 operating budgets & campus assessments](#).

Ryan moved, Bye seconded, to recommend approval of the FY22/23, SBHE, System office budgets and campus assessments.

Ryan, Bye, and Mihalick voted yes.

4. **FY22 Salary Ranges for Vice Chancellors & Senior Officers**

Chancellor Hagerott proposed [FY22 salary ranges for vice chancellor & senior officers](#).

Bye moved, Ryan seconded, to recommend approval of the FY22 Salary ranges for vice chancellors and senior officers, as presented.

Bye, Ryan, and Mihalick voted yes.

5. **Policy 805.1, Tuition**

Vice Chancellor Dolan reviewed amendments to [policy 805.1](#). She explained SBHE Policy 805.1 regarding tuition provides institutions the flexibility to establish necessary tuition rates, as long as the rates comply with a series of broad principles. Currently the policy allows tuition to be charged on either a per-credit or flat rate basis. Differential or tiered rates may also be used for academic programs or course subjects to meet an institution's programmatic needs. The proposed change adds another alternative – subscription rate. The subscription rate may be used for part-time, non-degree students and must first be approved by the SBHE.

Ryan moved, Bye seconded, to recommend 1st reading, waiving second reading, and final approval of Policy 805.1, as presented.

Bye, Ryan, and Mihalick voted yes.

6. **UND Subscription Tuition Rate**

Bye moved, Ryan seconded, to recommend approval of [UND Subscription tuition rate](#) (was tabled at May meeting).

Ryan, Bye, and Mihalick voted yes.

Ratification of Chancellor's Approval

Mr. David Krebsbach reviewed the following ratification items 7 – 10:

7. Ratify Chancellor's approval of [a \\$253,095 transfer from the capital assets](#) line to the NDSCS Operations line.
8. Ratify Chancellor's approval of a \$500,000 [transfer of the NDUS System Office Tier III](#) capital building fund appropriation line to the BSC capital building fund appropriation line.
9. Ratify Chancellor's approval of a \$275,000 [transfer of the NDUS System Office Tier III](#) capital building fund appropriation line to the LRSC capital building fund appropriation line.
10. Ratify Chancellor's approval of a \$84,055 [transfer of the NDUS System Office Tier III](#) capital building fund appropriation line to the VCSU capital building fund appropriation line.

Ryan moved, Bye seconded, to recommend approval to ratify the Chancellor's approval for items 7 -10.

Bye, Ryan, and Mihalick voted yes.

11. **VCSU Purchase 2 Parcels of land in Barnes County**

Ryan moved, Bye seconded, to recommend approval for [VCSU to purchase of 2 parcels of land in Barnes County](#) that are adjacent to the University from the VCSU foundation at a cost of up to \$309,000.

Ryan, Bye, and Mihalick voted yes.

12. MaSU Construction of Existing Steam Plant

Ryan moved, Bye seconded, to recommend authorization for MaSU to [proceed with the construction of an addition to the existing Steam Plant](#), and installation of two natural gas boilers at an estimated cost of \$1,600,000, contingent on legal concerns.

Bye, Ryan, and Mihalick voted yes.

13. UND UNDAAF Lease

Ryan moved, Bye seconded, to recommend UND (pending legal review and approval) to adopt a resolution approving: 1) the issuance of UND Alumni Association and Foundation [\(UNDAAF\) Lease Revenue Refunding Bonds, Series 2021](#) in an amount not exceeding \$1,645,484 for the purpose of refinancing UNDAAF's outstanding Lease Revenue Refunding Bonds, Series 2018, maturing on May 1, 2028; and 2) an amendment to the lease agreement between the UNDAAF and the University of North Dakota (UND) for the continued leasing of the UND School of Medicine Family Practice Center in Minot, N.D.

Ryan, Bye, and Mihalick voted yes.

14. MiSU Bond Resolution

Mr. Eric Olson presented the draft Minot State University Bond Resolution.

Ryan moved, Bye seconded, to recommend approval of the [MiSU Bond Resolution](#).

Bye, Ryan, and Mihalick voted yes.

15. Amendment to Bank of America Master Lease

Mr. Eric Olson presented an amendment to the [Bank of America Master Lease](#).

Bye moved, Ryan seconded, to recommend approval of the amendment to the Bank of America Master Lease, as presented.

Ryan, Bye, and Mihalick voted yes.

16. Update on BSC Polytechnic Project

President Jensen presented an update on [BSC's Polytechnic Project](#). The committee members requested BSC to provide continuous updates on the project.

The meeting adjourned at 3:34 p.m. CT.