

North Dakota State Board of Higher Education

September 21, 2021, Budget and Finance Committee Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via Teams/conf. call on September 21, 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
Mr. Nick Hacker
Ms. Danita Bye
Mr. Jeffry Volk
Ms. Retha Mattern, non-voting advisor

Other participants:

Chancellor Hagerott
Mr. David Krebsbach
Ms. Sonya Koble, BSC
President Easton, DSU
President Van Horn, MaSU
Mr. Mike Pieper, UND
Mr. Brent Winiger, MiSU
Ms. Jane Grinde, NDUS
Mr. Bruce Bollinger, NDSU
Ms. Brenda Zastoupil, NDUS
President Darling, LRSC
Mr. David Krebsbach, NDUS
Mr. Westley Wintch, VCSU
Ms. Sharon Schwartzbauer, NDUS
Ms. Karla Stewart, UND
Ms. Terry Meyer, NDUS
Mr. Eric Olson, AG Office

President Armacost, UND
Mr. Kent Anderson, DSU
Ms. Karin Hegstad, NDSU
Ms. Lisa Mock, DCB
Mr. Jeffrey Holm, UND
Ms. Cynthia Rott, NDSU
Mr. Jed Shivers, UND
Ms. Cara Halgren, UND
Mr. Corry Kenner, LRSC
Ms. Karla Stewart, UND
Ms. Dawn Seaver, UND
Ms. Maryann Olson, CTS
Ms. Sharon Loiland, UND
Mr. Troy Noeldner, UND
Ms. Debbie Storrs, UND

1. **Agenda**

Bye moved, Volk seconded, to approve the agenda.

Volk, Bye, Hacker, and Mihalick voted yes.

2. **Meeting Minutes**

Bye moved, Hacker seconded, to approve the June 15, 2021, meeting minutes, as presented.

Bye, Volk, Hacker, and Mihalick voted yes.

3. **HR Re-affirm HR Policies**

Ms. Grinde explained the NDUS system and SBHE routinely review policies at least once every ten years. The policies following proposed have no substantive changes:

• HR 9 Insurance • HR 11 Work Week • HR 14 Broadbanding Policy • HR 15 Vacancy Procedure • HR 16 Changing Positions • HR 17 Performance Development • HR 18 Rest Periods • HR 19 Holidays • HR 26 Termination Procedure • HR 29 Reinstatement • HR 30 Wage Garnishments • HR 32 Staff Personnel Advisory Committee • HR 33 Continuing Education for Employees • HR 34 Amendments and Exceptions.

Ms. Retha Mattern, SBHE Staff Adviser to the Board, stated their was no concerns waiving second reading to affirm HR Policies and amend HR Policy 5.

Hacker moved, Bye seconded, to recommend approval of 1st reading, waive 2nd reading and final adoption for all proposed [HR Policies](#) for re-affirmation.

Hacker, Bye, Volk, and Mihalick voted yes.

4. HR Policy 5 Pay

Mr. David Krebsbach reviewed amendment to [HR Policy 5, Pay](#). The committee received confirmation that there is separate rates for non-banded positions, which would include Presidents, and other executives in the zero broadband and faculty in the 2000 broadband.

Bye moved, Hacker seconded, to recommend approval of 1st reading, waive 2nd reading, and final adoption HR Policy 5

Volk, Hacker, Bye, and Mihalick voted yes.

5. Policy 830.1 Student Payment Policy

Mr. David Krebsbach reviewed proposed amendments to Policies [830.1](#) and [830.2](#).
And;

6. Policy 830.2, Refunds

Hacker moved, Bye seconded, to recommend approval of Policies 830.1 and 830.2.

Hacker, Volk, Bye, and Mihalick voted yes.

7. NDUS Retirement Plan Recommendations for Plan Administration

- a) Plan Pricing
- b) Revenue Credit Distribution

The committee member discussed varies components of the NDUS [retirement plan](#), if approved, the new proposed pricing agreement will be effective January 1, 2022, if signed by December 31, 2021. Ms. Melissa Thorpe confirmed the approval would not be locked into a five-year agreement and it can be re-evaluated at any time. Further discussion regarding pricing, distribution, plan oversight, and the need for the plan and vendor to be reviewed and/or assessed.

Hacker moved to divide item seven into two separate motions, 7a and 7b.

There was additional discussion regarding a plan review, vendor review, and a timeline to return to the committee with proposal(s) to consider.

Volk moved, Bye seconded, recommended approval of the credit balance transfer as recommended, and to approve the proposed new pricing structure.

Hacker rescinded his motion to divide the agenda item into two parts to include separate motions.

Volk, Hacker, Bye, and Mihalick voted yes to recommend approval of credit balance transfer and new pricing structure.

Volk moved, Hacker seconded, to commit to the Retirement Plan Oversight Committee to create a plan to evaluate and perform due diligence as to the retirement plan's record keeper and to present that plan to the Budget Finance Committee at a future meeting.

Hacker, Volk, Bye, and Mihalick voted yes.

8. DCB Housing and Auxiliary Facilities Revenue Bonds

Bye moved, Hacker seconded, to recommend approval for DCB's request approval of the attached resolution authorizing Dakota College at Bottineau to issue not more than \$2,500,000 in Housing and [Auxiliary Facilities Revenue Bonds](#), Series 2021, for the purpose of financing the construction and equipping of a dining facility on the DCB campus and paying the costs of issuance of the Series 2021 Bonds. Further authorize DCB to construct the Dining Center using proceeds from the afore mentioned sale of revenue bonds.

Bye, Volk, Hacker, and Mihalick voted yes.

9. DSU Pulver Hall

Hacker moved, Bye seconded, to recommend approval for [DSU ratification of Chancellor's interim authorization](#) for Dickinson State University to proceed with renovation of Pulver Hall as authorized by 66th legislative assembly; increase the cost of construction of Pulver Hall from \$4,284,500 to \$4,609,000 for a total increase of \$324,500 using Pulver Hall auxiliary fund reserves; and further authorize DSU to seek approval for the increase in construction cost using local funds from the interim budget section of the legislature at its next scheduled meeting.

Hacker, Volk, Bye, and Mihalick voted yes.

10. NDSU Ladd Hall Partial Renovation

Volk moved, Bye seconded, to recommend approval for NDSU to proceed with the [Ladd Hall Partial Renovation project](#) at an estimated cost of \$2,400,000 to be funded from 2021-23 extraordinary repair funds and matching operating funds.

Bye, Hacker, Volk, and Mihalick voted yes.

11. NDSU Performing Arts Facility

NDSU to begin a formal fundraising campaign for a new [Performing Arts Facility](#) through the NDSU Foundation and/or other affiliated entities with an estimated maximum scope/amount of \$45,000,000.

President Bresciani explained it is a standard request for NDSU to start fund raising and fund raising would be done through the NDSU Foundation, but it is not an NDSU foundation building nor construction project, just simply the fund-raising entity. He also confirmed it is part of their current campus master plan.

Updated campus masterplans will come before the Board for review/approval in the Spring.

Volk moved, Hacker seconded, to recommend approval for NDSU to begin fund-raising, as presented.

Bye, Hacker, Volk, and Mihalick voted yes.

12. NDSU Agricultural Products Development Center

Bye moved, Hacker seconded, to recommend approval for NDSU to name [the Agricultural Products Development Center \(APDC\) facility](#) in honor of an anonymous donor as per SBHE policy 902.12. The donor's name and official name of the facility will be released in conjunction with full SBHE meeting on September 30th.

Bye, Hacker, Volk, and Mihalick voted yes.

Follow-up discussion on item five, Presidential compensation

Committee members requested a discussion on presidential compensation market to address inconsistencies and efficiency, at their November committee meeting. Components of the discussion will be compensation analysis, market, market adjustments, and reviewing additional resources for data comparisons.

VCSU Update/Information

Mr. Wintch provided an update from Valley City State University and their capital campaign to the VCSU Field House and expansion. He informed the committee that the project continues to move forward, and they are currently looking into the financing options and hiring of an architect. This is just an update on the status of where VCSU is in the process and they will come before the committee at a future meeting with a proposal to begin construction.

The meeting adjourned at 3:55 p.m. CT.

Approved November 16, 2021.