

North Dakota State Board of Higher Education

March 22, 2022, Budget and Finance Committee, Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via Teams/conf. call on March 22nd, at 2:30 p.m. CT.

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
Mr. Jeffry Volk
Ms. Retha Mattern, non-voting advisor

Other participants:

Chancellor Hagerott
Mr. David Krebsbach, NDUS
Ms. Sonya Koble, BSC
Ms. Joann Kitchens, LRSC
Mr. Steve Benson, MaSU
Mr. Brent Winiger, MiSU
Mr. Jed Shivers, UND
Mr. Bruce Bollinger, NDSU
Ms. Brenda Zastoupil, NDUS
President Darling, LRSC
Mr. David Krebsbach, NDUS
Mr. Thomas Claeys, State Forester
Mr. Rick Tonder, NDUS
President Hirning, WSC
Ms. Karin Hegstad, NDSU
President Shirley, MiSU
Mr. Eric Olson, AG Office

President Armacost, UND
Mr. Kent Anderson, DSU
Mr. Darin King, CTS
Dean Migler, DCB
Ms. Jane Grinde, NDUS
Ms. Janelle McGurry, CTS
Ms. Erica Buchholz, VCSU
Mr. Corry Kenner, LRSC
Mr. Dirk Huggett, CTS
President LaFave, VCSU
Ms. Nancy Yon, UND
Ms. Terry Meyer, NDUS
President Bresciani, NDSU
Ms. Krista Lambrecht, WSC
Ms. Dina Cashman, NDUS

1. **Agenda**

Hacker moved, Volk seconded, to approve the agenda.

Volk, Hacker, and Mihalick voted yes.

2. **Meeting Minutes**

Volk moved, Hacker seconded, to approve the February 15, 2022, meeting minutes, as presented.

Volk, Hacker, and Mihalick voted yes.

3. **Policy 812, Legal Representation**

Mr. Eric Olson reviewed proposed amendments to [Policy 812](#), Legal Representation. The committee raised concerns that SBHE policies, including Policy 812, causes boundaries for decision makers. The committee discussed the terminology used is unclear, campus leadership

should have authority to hire legal counsel that is best for their campus needs. to make and would like additional time for Mr. Olson to reach out to campuses.

Mr. Olson explained that the intent of Policy 812 is to set a procedure that requires documentation in advance of hiring out of state legal counsel. In the past, the cost for outside counsel has been questioned by legislators and others and why North Dakota attorneys are not being utilized. The policy did go through the NDUS Councils, however, if more input is needed it can be recirculated.

The committee noted that legal costs are extremely difficult to predetermine; legal counsel is usually paid by the hour and there is not a way to determine how many hours a specific project is going to need. They discussed the current process, if documentation is already required and to what extent, and the need for more time to review the process.

Volk moved, Hacker seconded, to table Policy 812.

Hacker, Volk, and Mihalick voted yes.

4. **Presidential Compensation Procurement**

Mr. Eric Olson provided an update on [Presidential Compensation Procurement](#). He explained that an IFP is awarded solely on the lowest bid, however, an RFP can be awarded based on contract needs/requirements, with a more substantive evaluation of bids. He noted that switching from an IFP to an RFP would not take much additional time, given that the information was already present for the IFB. As requested by the committee, the Chancellor and system office staff have been removed from the attached document and some additional language that clarifies the data that is requested. Committee members confirmed that the reports will be specific to research institutions and the other nine institutions based on their specifics. They discussed having one or two committee members serve on the RFP evaluation team when the bids are received. Member Hacker cautioned that creating another sub-committee because it will require open records to be followed. Mr. Olson explained that the only requirement is to notice a meeting and then go into executive session to discuss.

Members Volk and Hacker agreed to be on the evaluation team.

Hacker moved, Volk seconded, to approve moving forward with an RFP for presidential salary study.

Hacker, Volk, and Mihalick voted yes.

Mr. Krebsbach provided information on items five and six, regarding capital building funds:

5. **DSU Tier II and Tier III Capital Building Funds Transfer**

DSU - Ratify Chancellor's approval of the [transfer of \\$268,862, \\$500,000, and \\$500,000](#), respectively, of NDUS System Office Tier II and Tier III carryover capital building funds to the DSU capital building fund appropriation line.

6. **MiSU Tier II and Tier III Capital Building Funds Transfer**

MiSU - Ratify Chancellor's approval of the [transfer of \\$572,801 and \\$500,000](#), respectively, of NDUS System Office Tier II and Tier III carryover capital building funds to the MiSU capital building fund appropriation line

Volk moved, Hacker seconded, to recommend approval to ratify Chancellor Hagerott's approval for MiSU and DSU's request for tier II and tier III capital building funds transfer.

Volk, Hacker, and Mihalick voted yes.

7. **2022-23 Tuition Rate Change Request**

Ms. Jaimie Wilke reviewed the [proposed 2022-23 tuition rate change](#).

Hacker moved, Volk seconded, to recommend approval of the proposed 2022-23 tuition rate change, as presented.

Volk, Hacker, and Mihalick voted yes.

8. **2022-23 Room, Board and Fee Rates**

Ms. Jamie Wilke reviewed the proposed 2022-23 [Room, Board and Fee Rates](#).

Volk moved, Hacker seconded, to recommend approval of the proposed 2022-23 room, board, and fees, as presented.

Hacker, Volk, and Mihalick voted yes.

Committee Discussion/Reports/Informational

9. [Mid-Year Budget Report](#) presented by Ms. Jamie Wilke.

- [Leases Report](#) as of 12/31/2021

10. [Tuition Waiver Report](#) presented by Ms. Brenda Zastoupil.

11. [Institution Facility Master Plans](#) – As informational only, the plans will be on April agenda for consideration.

BSC	DSU	NDSU – NDSU Forest Service
DCB	MaSU	UND
LRSC	MiSU	
NDSCS	VSCU	
WSC		

12. [Strategic Priorities](#) for SBHE Retreat reviewed by Mr. Jerry Rostad.

13. [Institution Annual Financial Review](#) presented by Ms. Robin Putnam.

The meeting adjourned at 4:00 p.m. CT.

Approved April 18, 2022.