

North Dakota State Board of Higher Education

September 21, 2022, Budget and Finance Committee Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via Teams/conf. call on September 21st, at 12:30 p.m. CT.

Chair Mihalick called the meeting to order at 12:30 p.m. CT.

SBHE Budget and Finance Committee members participating:

Mr. Tim Mihalick, Chair
Mr. Nick Hacker
Mr. Jeffry Volk (exited at 1:40)
Ms. Danita Bye
Mr. Kevin Black (exited at 1:30)
Mr. Michael Linnell, non-voting advisor

Other participants:

Chancellor Hagerott
Mr. David Krebsbach, NDUS
Ms. Rebecca Collins, BSC
Mr. Jerry Rostad, NDUS
Mr. Steve Benson, MaSU
Ms. Jane Grinde, NDUS
Mr. Brent Winiger, MiSU
Mr. Bruce Bollinger, NDSU
President Shirley, MiSU
Ms. Brenda Zastoupil, NDUS
Ms. Karla Stewart, UND
Mr. Keith Johnson, NDSCS
Mr. Darin King, CTS
Mr. Rick Tonder, NDUS
Ms. Krista Lambrecht, WSC
Mr. Rick Tonder, NDUS
Ms. Lisa Johnson, NDUS
Ms. Tammy Dolan, NDUS
Mr. Godsoe - Bond, Schoeneck & King
Mr. Pierce - Bond, Schoeneck & King

President Armacost, UND
Dr. John Miller, DSU
Ms. Jamie Wilke, NDUS
President Darling, LRSC
Ms. Gina Haugen, NDSU
Dean Carmen Simone, DCB
Ms. Erica Buchholz, VCSU
Mr. Mike Pieper, UND
Ms. Ericka Buchholz, VCSU
Mr. Darin King, CTS
President Van Horn, MaSU
Ms. Amber Hill, MaSU
Ms. Terry Meyer, NDUS
Ms. Dina Cashman, NDUS
Mr. Mark Jirik, NDSU
Mr. Terry Nelson, UND
Ms. Jamie Wilke, NDUS
Ms. Cynthia Rott, NDSU

1. **Agenda**

Bye moved, Hacker seconded, to approve the agenda.

Black, Bye, Volk, Hacker, and Mihalick voted yes.

2. **Executive Session** (12:34)

Bye moved, Black seconded, to enter Executive Session to consider the report on North Dakota University System Retirement Plans from Bond, Schoeneck & King. The executive session shall be limited to members of the Committee, the Chancellor and staff, Representatives from Bond, Schoeneck & King, and Board counsel.

The legal authority for closing this portion of the meeting is North Dakota Century Code sections 44-04-19.1 and 44-04-19.2.

Volk, Hacker, Black, Bye, and Mihalick voted yes.

Executive Session Participants:

Mr. Tim Mihalick, Chair

Mr. Nick Hacker

Mr. Jeffry Volk

Ms. Danita Bye

Mr. Kevin Black

Mr. Michael Linnell, non-voting advisor

Chancellor Hagerott

Mr. Chris Pieske, AG

Ms. Jane Grinde, NDUS

Ms. Kristie Hetzler, NDUS

Mr. David Krebsbach, NDUS

Ms. Terry Meyer, NDUS

Mr. Pierce, Bond, Schoeneck & King, and Board counsel

Mr. Godsoe, Bond, Schoeneck & King, and Board counsel

Executive session began at 12:35 p.m. CT.

Re-convene in Open session 1:25 p.m. CT.

Hacker moved, Volk seconded, to adopt the attorney's report related to items one and two, omit item three, and have Council re-draft the memo in item three, as discussed in executive session.

3. **August 19, 2022, Meeting Minutes**

Volk moved, Black seconded, to approve the August 19, 2022, meeting minutes.

Black, Bye, Volk, Hacker, and Mihalick voted yes.

4. **Policy 1200.1, Consolidated IT Services**

Mr. Darin King proposed amendments to [Policy 1200.1](#), Consolidated IT Services.

Bye moved, Hacker seconded, to recommend approval of 1st reading of [Policy 1200.1](#).

Hacker, Black, Bye, Volk, and Mihalick voted yes.

5. **UND Lease Revenue Bonds**

Hacker moved, Bye seconded, to recommend approval for UND request of the attached resolution authorizing University of North Dakota Alumni Association & Foundation (UNDAAF) to issue not more than \$30 million in lease revenue bonds on behalf of North Dakota University System (NDUS) to finance upgrades to EERC's primary [electrical distribution system and the construction \(replacement\) of EERC's advanced materials](#) processing facility. Further, request approval of the construction project from the 68th North Dakota Legislative Assembly.

6. **UND College of Engineering & Mines (CEM)**

Hacker moved, Bye seconded, to recommend approval for UND to request authorization to raise \$86.5 million to raze, renovate, and construct new facilities to [address deferred maintenance and to modernize College of Engineering & Mines \(CEM\)](#) buildings associated with UND's capital project request for its science, engineering and national security corridor.

Hacker, Bye, and Mihalick voted yes. Black and Volk absent.

7. NCI (Northern Crops Institute) Budget Request item - General funds \$3.9M – Mr. Mark Jirik
Hacker moved, Bye seconded to recommend authorization to NCI to submit a budget request to OMB for [\\$3.9 million for a building, equipment, bin storage and pave a parking lot](#).

Hacker, Bye, and Mihalick voted yes. Black and Volk absent.

8. **Update Legislative Interim Higher meeting**

Mr. David Krebsbach [Legislative Interim Higher meeting](#). Member Hacker expressed concerns with excluding NDSU and UND, relating to the tier one funding match change, and noted that the tier funding was a result of legislation, not the system office and/or the SBHE.

9. **2023-2025 Budget Request Update**

Mr. David Krebsbach provided an update on the [2023-2025 Budget Request](#).

10. **October Budget Meetings**

Mr. Krebsbach stated there are upcoming October budget meetings for the system office and each institution on October 10 and 11, with OMB and the Governor's office.

The meeting adjourned at 1:55 p.m. CT.

Approved October 18, 2022.