

**North Dakota State Board of Higher Education**  
Budget and Finance Committee Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via Teams on November 15<sup>th</sup> at 1:00 p.m. CDT.

Committee Chair Black called the meeting to order at 1:00 p.m.

SBHE Budget and Finance Committee members

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| <input checked="" type="checkbox"/> Mr. Kevin Black, Chair | <input checked="" type="checkbox"/> Mr. Jeffry Volk                    |
| <input checked="" type="checkbox"/> Ms. Danita Bye         | <input type="checkbox"/> Mr. Tim Mihalick                              |
| <input checked="" type="checkbox"/> Mr. Curtis Biller      | <input checked="" type="checkbox"/> Mr. Michael Linnell, Staff Advisor |

Institution Presidents/Representatives

**BSC** - Ms. Rebecca Collins, Ms. Sonya Koble, **DCB** - Dean Carmen Simone, **DSU** - President Easton, Mr. Leslie Wietstock, **LRSC** – President Darling, Ms. Joann Kitchens, **MaSU** - President Van Horn, **MiSU** - Mr. Brent Winiger, **VCSU** - President LaFave, **WSC** - President Hirling, Ms. Erica Buchholz, **NDSU** - Mr. Bruce Bollinger, Ms. Karla Stewart, **UND** – Ms. Odella Fuqua.

System Office/CTS/Guests

**NDUS** - Chancellor Mark Hagerott, Mr. David Krebsbach, Ms. Jane Grinde, Mr. Darin King, Ms. Lisa Johnson, Mr. Jerry Rostad, Mr. Mark Gorenflo, Ms. Jamie Wilke, Mr. Chris Pieske  
**Attorney General's Office** - Ms. Meredith Larson, Ms. Claire Ness, Mr. Matt Hammer,  
**Association of Governing Boards** – Mr. Alan Crist.

1. Agenda

Member Black moved to add Item 13 – NDSU Campus Update.

Member Volk moved to add Item 14 – Legal Counsel for Capital Construction projects.

Volk moved, Biller seconded, to approve the agenda, as amended.

Bye, Volk, Biller, and Black voted yes. Motion passed 4 -0.

2. Meeting Minutes

Biller moved, Volk seconded, to approve the [October 18, 2023](#), meeting minutes, as presented.

Biller, Bye, Volk, Hanson, and Black voted yes. Motion passed 4 -0.

3. SBHE Policy 706.1, Board Member and Advisor Per Diem Payments

Vice Chancellor Krebsbach proposed amendments made to SBHE [Policy 706.1](#), Board Member and Advisor Per Diem Payments.

Member Volk moved to adopt the policy with the following amendment: Delete "...with the SBHE president's approval." from paragraph 2.d. Bye seconded.

Bye, Volk, Biller, and Black voted yes. Motion passed 4 -0.

Ms. Meredith Larson suggested discussing Item 14 – Legal Counsel for Capital Construction projects with Item 5 – NDSU amendment to the Original Ground Lease Agreement since senior representatives of the Attorney General's office would be present. Chair Black agreed.

4. BSC Multipurpose Athletic Center  
President Jensen and Ms. Collins reviewed the proposal for the [BSC multipurpose athletic center](#). The sale of revenue bonds requires specific legislative authorization, which was obtained during October 2023, special session, as well as SBHE approval

Bye moved, Volk seconded, to recommend approval for BSC Multipurpose Athletic Center. as presented.

Bye, Volk, Hanson, Biller, and Black voted yes. Motion passed 4 -0.

5. NDSU amendment to the original ground lease agreement  
Mr. Bruce Bollinger reviewed NDSU's request for authorization to execute an [amendment to the original ground lease](#) agreement for the renovation and expansion of the Fargo Dome, in advance of the scheduled referendum in Fargo to be held December 5th.

Member Volk informed the committee members that he serves as a member of the Building Committee that has an advisory role to the Fargo Dome Authority, which falls under the purview of the Fargo City Commission.

Mr. Bollinger explained that on December 5<sup>th</sup>, the Fargo Dome expansion referendum will be voted on by the citizens of Fargo. If the project is not approved, then the proposed amendment to the ground lease will be null and void. If it is approved, the City of Fargo will work directly with NDSU (in good faith) to share concepts, including revenue. The amendment includes specifics, such as limits on how the space can be utilized.

Volk moved, Biller seconded, to recommend approval to amend the original ground lease agreement for the renovation and expansion of the Fargo Dome, as presented and to further authorize the appropriate parties to sign.

Biller, Bye, Volk, and Black voted yes. Motion passed 4 -0.

Member Volk recommended that every construction project have a knowledgeable attorney hired to assist with the construction procurement process, including legal review of construction contracts. This would help ensure compliance and reduce audit findings around construction procurement. Mr. Chris Pieske informed the committee that he had reviewed the past ten years' audit findings and noted that most findings were around record retention and number of bidders.

Ms. Meredith Larson stated that the institutions do have access to the Attorney General's office for legal counsel and that contract review, including significant construction project contracts, are a core capability of the Attorney General's office. Mr. Matt Hammer agreed and stated he has more than a decade of experience in this area and has worked with NDUS/NDSU on construction projects totaling over \$1B. Ms. Claire Ness, the Deputy Attorney General, also informed the committee that she's the individual that receives requests to appoint Special Assistant Attorneys General for state agencies and each individual request requires the Attorney General's review and final approval, at his/her discretion.

Committee Chair Black thanked Ms. Ness, Ms. Larson, and Mr. Hammer for reviewing the process to request the appointment of a Special Assistant Attorney General.

6. UND to proceed with demolition, and associated site restoration  
Mr. Mike Pieper reviewed UND's request to proceed with [demolition, and associated site restoration](#).

The committee had a thorough discussion regarding UND's 2016 Masterplan, their current Strategic Plan, and the process to request required approvals. After discussion, the committee and Mr. Pieper agreed to move forward with an approval to proceed, with an amendment to exclude Starcher Hall from the request.

Bye moved, Volk seconded, to recommend approval to proceed with demolition, and associated site restoration, to exclude Starcher Hall.

Biller, Bye, Volk, and Black voted yes. Motion passed 4 -0.

7. UND request to Increase spending for the [Frederick "Fritz" D. Pollard Jr. Athletic Center](#)  
And;
8. UND Pollard Athletic Center Naming

Ms. Karla Stewart reviewed UND's request to increase spending authorization from \$20M to \$23M. She explained that the increase is needed to coincide with the final bid package for [the Frederick "Fritz" D. Pollard Jr. Athletic Center](#) (former High-Performance Center or HPC).

Ms. Stewart also reviewed UND'S request to name the Frederick "Fritz" D. Pollard Jr. Athletic Center phase II (PAC2) addition as the Nodak Insurance Company Sports, item 8.

Volk moved, Bye seconded, to recommend approval of UND's requests, items 7 and 8.

Biller, Bye, Volk, and Black voted yes. Motion passed 4 -0.

9. UND rename Student Center  
Ms. Karla Stewart reviewed UND's request to rename the [UND rename Student Center](#).

Bye moved, Volk seconded, to recommend approval of UND's request, item 9.

Biller, Bye, Volk, and Black voted yes. Motion passed 4 -0.

## 10. Room, Board, and Fee Guidelines

Ms. Jamie Wilke reviewed the [room, board, and fee guidelines](#)

Member Volk asked when the fee structure will be proposed to the Board for approval; Ms. Wilke stated March of 2024.

Volk moved, Bye seconded, to recommend approval of the guidelines, as presented.

Volk, Biller, Bye, and Black voted yes. Motion passed 4 -0.

## 11. UND Memorial Village II Softball

Committee Chair Black stated the [UND Memorial Village II Softball](#) item is for informational purposes only.

## 12. Presidential Compensation Study

Committee Chair Black welcomed Mr. Crist, Association of Governing Boards consultant, and asked him to provide a brief overview of his findings.

Mr. Crist provided an overview:

- Project began in July/August of 2023.
- Met with Presidents of the ten NDUS institutions that are part of the study and initially asked each of them for their input in terms of what/who they consider to be their peer and aspirant institutions.
- Partnered with the College and University Professionals Association for Human Resources (CUPA HR), who provide the gold standard for higher education salary data.
- Developed factors to evaluate the institutions the NDUS Presidents suggested.
- Utilized those factors to review other institutions for the Board Committee to consider as peers/aspirants, in addition to the ones identified by the NDUS institutions.
- Confirmed that the institutions identified as possible peer and aspirant institutions had presidential data within the CUPA HR system.
- Revisited each president with updated data, resulting in some additional adjustments.
- Reviewed the analysis with the Presidential Compensation Study Ad Hoc Committee, which agreed on the five categories into which each NDUS institution was placed.
- Salary information, such as the median, average, and percentiles, along with additional benefits information were provided to the Committee at their November meeting.
- Currently preparing the final report.

Mr. Crist stated there are other factors he recommends Boards consider, such as, performance, longevity, retention, and/or recruitment; Committee Chair Black agreed and noted that the final report will be one data point, along with others, that will be beneficial when the Board reviews compensation for NDUS presidents. The committee discussed comparing and considering factors such as cost of living, demographics, enrollment or FTEs, and endowments.

Committee Chair Black requested that the campus updates be moved to the next meeting due to time; the campuses agreed.

Volk moved, Bye seconded, to move the campus updates to the next meeting.

Volk, Biller, Bye, and Black voted yes. Motion passed 4 – 0.

Committee Chair Black adjourned the meeting at 2:55 p.m. CT.