

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

June 12, 2024

The State Board of Higher Education Budget and Finance Committee met via Teams on Wednesday, June 12th at 1:00 p.m. CT.

SBHE Budget and Finance Committee members

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| <input checked="" type="checkbox"/> Mr. Kevin Black, Chair | <input type="checkbox"/> Mr. Jeffrey Volk |
| <input checked="" type="checkbox"/> Ms. Danita Bye | <input checked="" 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 President Jensen, Ms. Sonja Kolbe, **DCB** Dean Simone, Ms. Lisa Mock, **DSU** President Easton, Mr. Leslie Wietstock, **LRSC** President Darling, Ms. Brandi Nelson, **MaSU** President Van Horn, Ms. Amber Hill, **MiSU** President Shirley, Krista Lambrecht, **NDSCS** President Flanigan, Mr. Keith Johnson, **NDSU** Mr. Bruce Bollinger, Ms. Karin Hegstad, Ms. Cynthia Rott, Ms. Lisa Ripplinger, **UND** President Armacost, Ms. Odella Fuqua, Ms. Becky Lucke, Mr. Travis Aho, Ms. Karla Stewart, Mr. Leslie Bjore, Mr. Terry Nelson, **VCSU** President LaFave, Ms. Erica Buchholz, **WSC** President Hirling.

System Office/CTS/Guests

NDUS Chancellor Hagerott, VC David Krebsbach, Ms. Jamie Wilke, Dr. Jen Weber, VC Darin King, VC Jerry Rostad, Mr. Mark Gorenflo, Ms. Jane Grinde, Mr. Chris Pieske, Mr. Rick Tonder, Ms. Dina Cashman, **AG** Ms. Rachel Sinness, **Bond, Schoeneck & King Attorney** Mr. John Godsoe, **Piper Sandler and Co.** representative.

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

1. **Agenda**

Chair Black removed item #9, Policy 469, from the agenda; the SBHE ASAC Committee tabled the policy.

Bye moved, Biller seconded, to approve the amended agenda.

Approved by consensus.

2. **Meeting Minutes**

Mihalick moved, Biller seconded, to approve the [May 15, 2024](#), meeting minutes, as presented.

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

3. **BSC Housing and Auxiliary Facilities Bond**

Ms. Koble presented BSC's facilities bond request.

Bye moved, Mihalick seconded, to recommend approval of the [BSC Housing and Auxiliary Facilities Bond](#) request, as presented.

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

4. **UND University Place Renovation**

And,

5. **UND Housing Office Renovation**

Ms. Stewart and Mr. Bjore presented two UND renovation projects.

Bye moved, Mihalick seconded, to approve UND's renovation requests for [UND University Place](#) and [UND Housing Office](#), as presented.

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

6. **Approve ND/MN Reciprocity MOU**

Vice Chancellor Krebsbach reviewed the proposed [ND/MN Reciprocity MOU](#).

Biller moved, Bye seconded, to recommend approval of the ND/MN reciprocity MOU, as presented.

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

7. **NDUS Retirement Plan Recommendations**

Ms. Grinde reviewed nine [amendments to the NDUS retirement plans](#) as recommended by Bond, Schoeneck & King and the Retirement Plan Oversight Committee chaired by SBHE member Black. The plan document effective date would be July 1, 2024, if approved by the Board.

Bye moved, Biller seconded, to recommend approval of the NDUS Retirement Plan recommendations, as presented.

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

8. **Biennial Budget Request Operations and Capital**

Vice Chancellor Krebsbach reviewed the [biennial budget proposal](#). The committee discussed multiple components within the budget; the timeline to finalize and upload budget data into the Office of Management and Budget (OMB) system; and the process after the request has been submitted. The committee agreed to include a needs-based operating budget in addition to the operating budget request that aligns with guidelines provided by OMB/Governor's office.

Mihalick moved, Biller seconded, to recommend approval of the operating budget including the restoring the 3% budget reductions, as discussed.

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

The committee determined that the remaining budget components, including the capital project requests that were discussed at previous meetings, need further review based on questions and concerns raised during discussion. There will be a special BFC Committee meeting scheduled to prior to the June 25th full Board meeting. The full Board has final approval authority.

Biller moved, Bye seconded, to postpone the remaining budget requests, as discussed.

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

~~9. **Policy 469 College Credit in High School and 805.1 Tuition**~~

ASAC tabled [Policy 469 College Credit in High School and 805.1 Tuition.](#)

10. Retirement Plan Oversight Committee Update

Ms. Grinde informed the committee that HUB representatives provided information on record keeper pricing and trends in the marketplace at the June 6th Retirement Plan Oversight Committee meeting. They also educated us on services typically provided in this arena. The committee agreed that TIAA remains competitive in the marketplace and offers reasonable fees for their services they currently provide to us. There will be a formal recommendation to the BFC Committee on the record keeper and pricing strategies at an upcoming meeting.

The following items were included in the biennial budget discussion, item #8 and will receive further discussion at the to-be-scheduled special BFC meeting prior to the June 25th SBHE meeting:

11. NDUS Systemwide and [System Office Budget Requests](#)
12. [Institution Specific Budget Requests](#)
13. [Envision 2035 Initiatives](#)
14. Envision 2035 [Critical-Important-Upcoming](#)

The meeting adjourned at 2:30 p.m. CT.

Approved July 17, 2024.