

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 Wednesday, July 17th at 1:00 p.m. CT., via Teams.

SBHE Budget and Finance Committee members

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| <input checked="" type="checkbox"/> Mr. Kevin Black, Chair | <input checked="" type="checkbox"/> Mr. Jeffrey 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 President Jensen, Ms. Rebecca Collins, Ms. Sonja Kolbe, **DCB** Dean Simone, **DSU** Mr. Leslie Wietstock, **LRSC** President Darling, Ms. Joanne Kitchens, **MaSU** President Van Horn, Ms. Amber Hill, **MiSU** President Shirley, Krista Lambrecht, **NDSCS** President Flanigan, Mr. Keith Johnson, **NDSU** Mr. Bruce Bollinger, Mr. Michael Ellingson, Mr. Matt Larson, Dr. Greg Lardy, **UND** Ms. Odella Fuqua, Ms. Karla Stewart, Mr. Thomas Bures, Mr. Mark Johnson, **VCSU** President LaFave, Ms. Erica Buchholz, **WSC** President Hirling.

System Office/CTS/Guests

NDUS Chancellor Hagerott, VC David Krebsbach, Ms. Jamie Wilke, Mr. Corey Quirk, VC Jerry Rostad, Mr. Chris Pieske, Mr. Rick Tonder, Mr. Dusin Walcker, Mr. Rick Tonder, Ms. Robin Putnam, **AG** Ms. Meredith Larson.

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

Member Volk requested to add a discussion item on financial management for the remainder of the biennium, he recommended the discussions begin occurring due to the system office leadership transition; Chair Black added the discussion following the last action item.

1. **Agenda**

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

Approved by consensus.

2. **Meeting Minutes**

- a. [June 6, 2024](#), Special Meeting
- b. [June 12, 2024](#), Meeting
- c. [June 20, 2024](#), Special Meeting

Biller moved, Volk seconded, to approve the June 6, June 12, and June 20, 2024, meeting minutes, as presented.

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

3. **UND Exchange Two Adjacent Parcels/terms of conveyance**

Mr. Rick Tonder explained that [UND's request is to authorize exchange](#) of two adjacent parcels – 2920 5th Avenue North (parcel #44310400056000) and 514 Cambridge Street (parcel #44310400057000) – for one parcel – 407 Cambridge Street (parcel #44310400104000) – owned by Oxford Realty and request the SBHE or a designee of the board to approve the terms of the conveyance. The UND owned residential parcels are located adjacently at the corner of 5th Avenue North and Cambridge Street, immediately north of 5th Avenue North, north of UND's campus core. The combined residential parcels total an estimated 23,625 square feet with an estimated value of \$120,000. These parcels were donated to UND in 1973 and 1987, respectively, and there is no long term planned use for the property. Oxford Realty owned the parcel south of 5th Avenue North and is located within UND's campus core with UND owning the surrounding parcels. The 10,125 square foot parcel has an estimated value of \$90,000. Their structure is currently located on the Oxford parcel, but they have agreed to pay to raze the structure prior to the transfer. UND desires the 407 Cambridge Street parcel to extend an existing parking lot that will accommodate the high parking demand for Memorial Student Union, Chester Fritz Library, Law School, Nistler School of Business and College of Nursing.

Legal Counsel, Ms. Larson clarified that NDCC 15-10-12.1 requires gifted or bequeathed property that is being sold by an institution to undergo appraisals and bidding at a public auction. In this case, UND's proposal is for an exchange or land transfer, not a sale. SBHE Policy 910 does not provide direction for land that is bequeathed or gifted to an institution and is intended to be exchanged or transferred. NDCC 54-01-05.2 provides that for any state land to be sold or exchanged, appraisals must be obtained. One appraisal is required for land not more than one hundred thousand dollars and two appraisals for land over one hundred thousand dollars. Therefore, UND's land must undergo an appraisal process consistent with NDCC 54-01-05.2.

After further discussion, Ms. Stewart confirmed that UND can and will have the appraisals completed to be submitted to BFC at their next meeting for consideration. She reiterated that Oxford would incur the costs to raze the building from the property prior to the exchange and those costs would be incorporated into the appraisal, or at minimum, be considered in the equity of the exchange.

Volk moved, Bye seconded, to recommend approval for UND to proceed with the appraisal process for two parcels of land owned by UND - 2920 5th Avenue North (parcel #44310400056000) and 514 Cambridge Street (parcel #44310400057000) and one parcel owned by Oxford Realty - 407 Cambridge Street (parcel #44310400104000).

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

UND's request to exchange two adjacent parcels/terms of conveyance will be placed on the next BFC agenda.

4. **UND Increase fund-raising authority**

Volk moved, Bye seconded, to recommend authorization for [UND to Increase fund-raising authority](#) to coincide with project estimates and increased scope for the UND Flight Operations building at the Grand Forks Airport

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

5. **UND's request for Capital Building Fund Tier II and Tier III transfers**

Biller moved, Bye seconded, to recommend approval for UND's request for [Capital Building Fund Tier II and Tier III transfers](#)

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

6. **NDSU Begin Fund-raising Campaign for Constructing a Practice Wrestling Facility**

Mr. Bollinger and Mr. Ellingson provided an overview of NDSU's request to begin a fund raising [campaign for a practice wrestling facility](#); the estimated cost for this project is \$13 million. The facility will primarily be used for the wrestling program, which operates year-round. There are several sites for the facility being considered, primarily close to the current basketball facility, but the final decision is pending. The addition of this facility aligns with NDSU's master plan, which includes provisions for both academic and athletic needs.

Volk moved, Biller seconded, to recommend approval of NDSU's request to begin a fund-raising campaign for constructing a practice wrestling facility, as presented.

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

7. **NDSU Carrington Research Extension Center (CREC)**

Mr. Bollinger explained that NDSU is requesting reconfirmation that [NDSU Carrington Research Extension Center](#) is approved to accept a five-acre real property donation from the Garrison Diversion Conservancy District, located at the NDSU Oakes Irrigation site. This was previously approved by the BFC; however, subsequent to BFC approval some internal NDSU questions arose which were resolved without any changes to the proposal. As a result, the proposal is being submitted for re-approval; he reiterated that no changes have been made since the initial approval.

Biller moved, Volk seconded, to recommend approval for NDSU Carrington Research Extension Center to accept a five-acre real property as a donation.

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

The meeting adjourned at 1:40 p.m. CT.

Approved September 11, 2024.