

**North Dakota State Board of Higher Education
Budget and Finance Committee**
May 14, 2019, Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via conference call on May 14th, at 3:30 p.m. CT. The call will originate on the 10th floor of the State Capitol, NDUS Conference Room, 600 E. Boulevard Ave., Bismarck, ND.

Chair Hacker called the meeting to order at 3:30 p.m. CT.

SBHE Budget and Finance Committee members participating:

Mr. Nick Hacker, Chair
Dr. Casey Ryan
Mr. Dan Traynor
Mr. Tim Mihalick
Mr. Andy Wakeford

Other participants:

Ms. Tammy Dolan, NDUS
President Darling, LRSC
Mr. Corry Kenner, LRSC
Ms. Jami Hovet, MaSU
Ms. Sonya Koble, BSC
Dean Migler, DCB
President Richman, NDSCS
Mr. Jed Shivers, UND
Ms. Laura Nelson, DSU
Mr. Brent Winiger, MiSU
Ms. Lisa Johnson, NDUS
President Miller, WSC
Mr. Eric Olson, Asst. A.G. and General Counsel

Ms. Jami Hovet, MaSU
Mr. Dennis Gladen, NDSCS
Mr. Westley Wintch, VCSU
President Shirley, MiSU
Ms. Lisa Mock, DCB
Mr. Bruce Bollinger, NDSU
Mr. Riley Yadon, WSC
Ms. Karla Stewart, UND
Mr. Mike Piepers, UND
Mr. Dave Krebsbach, NDUS
Ms. Patty Schock, NDUS

1. Agenda

Mihalick moved, Traynor seconded, to approve the agenda.

Ryan, Mihalick, Traynor, and Hacker voted yes.

2. April 16, 2019, Meeting Minutes

Traynor moved, Ryan seconded, to approve the April 16, 2019, meeting minutes.

Mihalick, Ryan, Traynor, and Hacker voted yes.

3. Biennial Budget Guidelines (final approval at SBHE BFC)

Mr. Krebsbach and Ms. Dolan reviewed the [guidelines for preparation of 2019-21 biennial budgets](#), including salary guidelines and tuition rates.

The SBHE sets broad budget policy guidance at the outset, while allowing campuses to prepare the operational details consistent with the guidelines and institutional priorities.

The guidelines establish salary policy, areas of strategic investment, and tuition and fees for the 2019-21 biennium. In March 2020, institutions may request updates to the FY21 planned salary increases, tuition rates or fees, if necessary. Approval of the 2019-21 guidelines includes the following items:

- FY20 and FY21 salary guidelines, as per legislative direction and NDUS pay policy.
- FY20 and FY21 maximum annual tuition rate increases.
- Confirmation of FY20 fee increases approved by institution presidents, including the student, technology, course, and program fees.
- Confirmation of FY20 room and board rates approved by institution presidents
- FY20 total mandatory fee increases, including:
 - ConnectND fee of \$66 per semester or \$5.50 per credit (no change from 2018-19).
 - ND Student Association fee of 4 cents per credit, capped at 12 credits per semester (no change from 2018-19).
- UND - \$220.80 mandatory fee increase, which exceeds the 1% limitation in NDCC 15-10.3.-03.
- UND – New Aviation Department program fee
- Carryover authority and extraordinary repairs reporting requirements.
- Delegation of authority to the Chancellor to approve the biennial budgets within the guidelines set forth by the SBHE. However, any line item transfers from operations to capital assets line item must be approved by the SBHE prior to transfer.

Ms. Dolan noted that last month the full Board delegated the SBHE Budget and Finance Committee authority for final approval of the budget guidelines so that campuses could begin their budget process. If the committee approves the guidelines, they will still be reported to the full Board. Legal council confirmed that delegation of authority to the committee was legal and appropriate, provided the full Board retain the ability to modify or change upon presentation.

Ryan moved, Mihalick seconded, to approve the biennial budget guidelines.

Ryan, Mihalick, Traynor, and Hacker voted yes.

4. WSC Request Change in Residency Factors

Traynor moved, Ryan seconded, to recommend approval for WSC's request for a [change in the residency factors](#) for contiguous states, MHEC/WUE and nonresident students for a two-year term. The institution is required to report back on the fiscal impacts.

Traynor, Ryan, Mihalick, and Hacker voted yes.

5. NDSU Request Change in Tuition Model Residency Factors

Ryan moved, Mihalick seconded, to recommend approval for NDSU's request for a [change in tuition model residency factors](#).

Ryan, Mihalick, Traynor, and Hacker voted yes.

6. **MISU Appropriations Line Item Transfer**

Traynor moved, Ryan seconded, to recommend approval for MISU's request for an [appropriations line item transfer](#) from operations to capital assets.

Mihalick, Ryan, Traynor, and Hacker voted yes.

7. **Report on Legislation**

Ms. Dolan indicated her full [report on final legislation](#) will be given at the full Board meeting on May 30th.

The meeting adjourned at 4:40 p.m.

Approved June 18, 2019.