

North Dakota State Board of Higher Education
Budget and Finance Committee Meeting Minutes
November 19, 2019

The State Board of Higher Education Budget and Finance Committee met via conference call on Tuesday, November 19th at 3:15 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 Mihalick called the meeting to order at 3:15 p.m. CT.

SBHE Budget and Finance Committee members participating:

Mr. Tim Mihalick, Chair
Dr. Casey Ryan (departed at 3:55)
Mr. Dan Traynor
Ms. Retha Mattern (Staff Adviser)

Other participants:

Chancellor Hagerott	President Bresciani, NDSU
Ms. Robin Putnam, NDUS	Mr. Cory Kenner, LRSC
Mr. Cory Kenner, LRSC	Ms. Maryann Olson, NDUS
President LaFave, VCSU	Mr. Rick Tonder, NDUS
Mr. Westley Wintch, VCSU	Mr. Brent Winiger, MiSU
Ms. Becky Collins, BSC	Ms. Jami Hovet, MaSU
Mr. Dennis Gladden, NDSCS	Mr. Riley Yadon, WSC
Mr. Dave Krebsbach, NDUS	Ms. Laura Nelson, DSU
Ms. Kristie Hetzler, NDUS	
Ms. Terry Meyer, NDUS	
Mr. Eric Olson, Asst. A.G. and General Counsel	

1. Agenda

Traynor moved, Ryan seconded, to approve agenda.

Traynor, Ryan, and Mihalick voted yes.

2. Meeting Minutes

Traynor moved, Ryan seconded, to approve the October 15, 2019, meeting minutes.

Ryan, Traynor, and Mihalick voted yes.

3. Executive Session

Traynor moved at 3:18, Ryan seconded, to enter into an executive session for NDSU (1) discuss the A. Glenn Hill Center claim by Roers Construction, Inc. and (2) limit the executive session to voting Board members, nonvoting advisors, Board legal counsel, the Executive Assistant to the Board, the Chancellor and selected NDUS Office Staff, the North Dakota State University President, NDSU legal counsel and selected NDSU selected staff.

The legal authority for closing this portion of the meeting is North Dakota Century Code sections 44-04-19.1(1)-(2), 44-04-19.1 (9), 44-04-19.1(11), and 44-04-19.2(1).

Traynor, Ryan, and Mihalick voted yes.

Executive session began at 3:33 p.m. CT.

SBHE Members Present

Mr. Tim Mihalick, Chair
Dr. Casey Ryan
Mr. Dan Traynor
Ms. Retha Mattern (Staff Adviser)

Others Present

President Bresciani, NDSU
Mr. Chris Wilson, NDSU
Mr. Matt Hammer, Asst. A.G. and General Counsel
Mr. Keith Moheban, Representing NDSU
Mr. Bruce Bollinger, NDSU
Ms. Terry Meyer, NDUS
Ms. Kristie Hetzler, NDUS
Mr. Dave Krebsbach, NDUS
Mr. Eric Olson, Asst. A.G. and General Counsel

Executive session adjourned at 3:58 p.m. CT.

Traynor moved, Ryan seconded, to recommend approval of the proposed settlement agreement and release concerning the Glenn Hill Center claim and Roers Construction, with modification that the release provided is limited to the STEM project, as discussed in executive session. Further, forward to the full Board at the December 3rd meeting for consideration.

Traynor, Ryan, and Mihalick voted yes.

4. 2020-21 room, board and fee guidelines

Mr. Dave Krebsbach presented the [guidelines for the 20-21 room, board and fees](#).

Ryan moved, Traynor seconded. To approve the guidelines for the 20-21 room, board and fees.

Ryan, Traynor, and Mihalick voted yes.

5. VCSU Facilities Revenue Bonds, Series 2020

Ryan moved, Traynor seconded, to recommend approval for VCSU the Issuance of not to exceed \$22,500,000 State Board of Higher Education of the State of North Dakota, Valley City State University, [Facilities Revenue Bonds, Series 2020](#), adopted on December 3, 2019, by the SBHE.

Traynor, Ryan, and Mihalick voted yes.

6. VCSU Housing and Auxiliary Facilities Refunding Revenue Bonds

Ryan moved, Traynor seconded, to recommend approval for VCSU Issuance of not to exceed \$3,200,000 State Board of Higher Education of the State of North Dakota, Valley City State University, [Housing and Auxiliary Facilities Refunding Revenue Bonds](#), Series 2019, and Authorizing the Execution of a Series Resolution and Related Documents, adopted on December 3, 2019, by the SBHE.

Ryan, Traynor, and Mihalick voted yes.

7. VCSU Transfer Operations line to the Capital Assets

Ryan moved, Traynor seconded, to recommend approve VCSU Ratification of Chancellor's interim approval for [VCSU to transfer \\$1,125,773](#) from the Operations line to the:

- Capital Assets line in the amount of \$816,636 for extraordinary repairs, and,
- Capital Building Fund line in the amount of \$309,137 for extraordinary repair projects

Traynor, Ryan, and Mihalick voted yes.

8. DSU negotiate Lease Agreement with BF Properties LLP for Gas Station

Traynor moved, Ryan seconded, to recommend approval for DSU to [negotiate a lease agreement](#) with BF Properties LLP for the purposes of private commercial development of state land consisting of a gas station – convenience store, with the possible addition of off sale liquor.

Noted by legal – The motion only authorizes DSU to explore and/or begin negotiating a lease agreement. If DSU determines they would like to enter into a lease agreement, further Board authorization is necessary.

Traynor, Ryan, and Mihalick voted yes

Dr. Ryan departed the meeting.

9. Policy 703.1 Early Retirement

Ms. Jane Grinde presented proposed amendments to policy [703.1](#).

Traynor moved to recommend approval of policy 703.1.

Traynor and Mihalick voted yes.

10. Policy 607.1 Legal Representation

Ms. Karol Riedman reviewed amendments to policy [607.1](#).

Traynor moved to recommend approval of policy 607.1.

Traynor and Mihalick voted yes.

11. Policy 804 Equipment and Personal Property Leases

Ms. Putnam presented proposed amendments to policy [804](#).

Traynor moved to recommend approval of policy 804.

Traynor and Mihalick voted yes.

12. Policy 804.1 Tax Exempt Bond Issues and Lease Purchase Financing

Ms. Putnam presented proposed amendments to policy [804.1](#).

Traynor moved to recommend approval of policy 804.1.

Traynor and Mihalick voted yes.

13. Policy 909 Real Property Leases

Ms. Putnam presented proposed amendments to policy [909](#).

Traynor moved to recommend approval of policy 909.

Traynor and Mihalick voted yes.

14. Policy 908 Financing Through Revenue Bonds

Mr. Olson reviewed proposed amendments to [policy 908](#).

Traynor moved to recommend approval of policy 908.

Traynor and Mihalick voted yes.

15. Report on Capital and Operating Leases

Mr. Dave Krebsbach reviewed the [capital and operating lease report](#) as informational only.

The meeting adjourned at 4:25 p.m. CT.

Approved January 21, 2020.