

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

February 19, 2019, Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via conference call on Tuesday, February 19, at 3:30 p.m. CT. The call originated on the 10th floor of the State Capitol, NDUS Conference Room, 600 E. Boulevard Ave., Bismarck, ND, 58505.

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. Milhalick (joined at 3:38)
Mr. Andy Wakeford (exited meeting at 4:10)

Other participants:

Ms. Tammy Dolan, NDUS	Chancellor Hagerott
Ms. Joann Kitchens, LRSC	Mr. Westley Winch, VCSU
Ms. Jami Hovet, MaSU	President Bresciani, NDSU
Mr. Dave Clark, BSC	Dean Migler, DCB
Mr. Jed Shivers, UND	Ms. Karla Stewart, UND
Mr. Bruce Bollinger, NDSU	Mr. Mike Pieper, UND
Mr. Dave Krebsbach, NDUS	Ms. Laura Nelson, DSU
Ms. Laura Nelson, MaSU	Mr. Brent Winiger, MiSU
Mr. Rick Tonder, NDUS	Ms. MaryAnn Olson, NDUS
Ms. Kristie Hetzler, NDUS	Mr. Riley Yadon, WSC

1. **Agenda**

Agenda approved by consensus.

2. **Meeting Minutes**

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

Ryan, Traynor, and Hacker voted yes.

3. **Tuition Model Revisions for the UND Medical and Law Schools**

The committee discussed rate factors for professional schools, including the UND law school and medical school. Representatives from UND indicated a decrease in the rate factor resulted in an increase in the amount of money received due to fees that were added into the tuition amount resulting in a higher tuition charge. The rate factor of 2.5 was also explained as a factor that is more in line with other nonresident tuition factors. The committee expressed concerns about reducing the rate factor for the law school when the law school was in somewhat of a budget crisis. Member Traynor requested a comparison of rate factors at 2.5, the existing 2.67 and 3.0 to be included in the materials at their next meeting and to table approval of the law school factor until the additional information is received for consideration.

Traynor moved, Ryan seconded, to recommend approval for UND's [tuition model revision](#) regarding the rate factors at the UND Medical School.

The committee noted the UND Law school tuition model revision will be reviewed for consideration at their March meeting.

Traynor, Ryan, Milhalick, and Hacker voted yes.

4. DSU North Family 24-unit Apartment Building

Ryan moved, Traynor seconded, to recommend approval for [DSU to sell the North Family 24-unit Apartment Building](#) and request the SBHE to approve the terms of the conveyance.

Ryan, Milhalick, Traynor, and Hacker voted yes.

5. UND Chester Fritz Library

Ryan moved, Traynor seconded, to recommend approval to increase spending authorization and scope of the [phase I renovation of the Chester Fritz Library](#) from \$7,000,000 to \$11,655,000 be supported by gift funds available within UND (remaining from original Chester Fritz Library gift), local funds and extraordinary repair funds to cover expended project scope: additional deferred maintenance, life-safety and IT upgrades.

Traynor, Ryan, Milhalick, and Hacker voted yes.

6. UND Law School Funding Discussion

Member Traynor expressed concerns regarding funding for the UND law school. He explained that 2016 was the last year the law school was at a full budget, with a clinic and a full complement of faculty. Budget cuts since that time have resulted in an extremely difficult situation that could result in a loss of accreditation if the law school is not provided with additional funding. In the spreadsheet prepared by UND, the 2016 budget has been adjusted in a needs-basis to explain the law school is currently under funded by \$2,564,157. This has resulted in the following problems:

- The legal clinic, which is required for accreditation, was eliminated.
 - One or more practicing attorneys who taught as adjuncts lost the small stipend used to compensate them, including Peter Welte and Bruce Quick.
 - The law school currently has half of the faculty needed to teach at the law school and had an unsuccessful search for a professor.
 - Law school faculty are not compensated with salaries commensurate with the legal community, which increases the difficulty in recruiting and retaining faculty.
 - The poor funding at the law school resulted in a failed search for a dean.
- Member Traynor pointed out that a loss of accreditation would result in graduates not being able to take the North Dakota Bar exam and become licensed.

7. Legislative Update

Ms. Tammy Dolan provided the committee with an update on legislation and noted the Senate will be discussing the NDUS appropriations bills on March 18 through the 20th. The Committee Chair encouraged committee members to attend to support the budget request, along with including adding some additional funds for UND Law School.

The meeting adjourned at 4:45 p.m. CT.

Approved March 19, 2019.