Administrative Affairs Council Minutes  
February 12, 2008 Conference Call

Participants
Dave Clark – BSC
Alvin Binstock and Mark Lowe – DSU
Corry Kenner – LRSC
Steve Bensen – MaSU
Ron Dorn, Jonelle Watson – MiSU
Keith Johnson – NDSCS
John Adams, Karla Mongeon-Stewart, and Bruce Franz– NDSU
Bob Gallager – UND
Trudy Collins – VCSU
Brenda Wigness - WSC
Laura Glatt, Randall Thursby, Cathy McDonald, and Darci Trenda – NDUS

Criminal Background Checks on Financial Personnel
Ms. Trenda reported that last year the SBHE Budget, Audit and Finance Committee recommended that AAC look into the feasibility of background checks for key financial staff hires and promotions. Since that time, the SBHE adopted policy 602.3 – Job Applicant and Employee Criminal History Background Checks. This policy requires each institution to adopt its own policy dealing with employee background checks. Ms. Trenda asked the AAC if they thought it should be left up to the institutions to decide if they require background checks for key financial staff or if there should be a system wide requirement. There was discussion regarding the definition of “key financial staff” since this might include different positions at different campuses, depending on the individuals duties and responsibilities. It was decided that the issue would be taken to the controllers group for their input and/or recommendation.

2009-11 Biennial Budget Request
Laura summarized the Cabinet feedback on the biennial budget proposal. She asked for additional feedback from the Council.

The Council discussed salary increases, including the possibility of differentiating between faulty and staff positions. It was pointed out that a differential increase may create morale issues on campus. Corry suggested that perhaps the salary equity funding be combined with the institutional equity funding and permit each campus discretion over the use of the funds. Laura said the intent is that the salary equity pool only be used for salary increases not other purposes. Alvin raised concern about the possibility of creating another special pool of funds, if parity is not fully funded, as this creates challenges at the institutional level.

Dave inquired about the status of the statewide compensation committee. Laura said she did not know but would find out and get back to the Council.
Laura reported that at the Cabinet meeting President Skogen presented an alternate approach to distributing funding, based on a per student model. Laura reported that some options were being reviewed, but no decision had been made about whether it be recommended for inclusion in the final budget proposal.

Laura said that at an earlier meeting, it was suggested that the system include a funding request for equipment and infrastructure. She said it was not clear what should be included and if there were no objections it would be removed from the list. No objections were expressed.

With regard to the added legal assistant position, Alvin suggested that since fringe benefit costs for a half-time position are so significant, it would make sense to request a full-time position, especially since there is enough work for this position.

Laura said that the Council would have an opportunity to review the next budget proposal before it is submitted to the Cabinet for consideration.

2009-11 Utility Budget Request
Cathy reviewed the utility budget request information which has been submitted. She pointed out that there are widely differing rate assumptions, some of which is attributable to the use of different providers. Officials from UND and NDSU indicated they have visited about their coal cost assumptions and feel comfortable with the figures provided, as the differential, in part, has to do with how freight costs are handled.

MaSU and LRSC indicated a need to revise their figures.

Laura asked for suggestions about where the System Office might get better information on projected cost increases. It was suggested that either Bill Heuther with the Energy Office or the Engineering News Record might be good sources. Laura said these sources would be contacted to see if they can provide good data on future cost increases.

Future Meeting Dates
March 11, 2008
March 25, 2008
April 8, 2008
May 6, 2008
June 10, 2008
July 22-23, 2008
September 9, 2008
October 14, 2008
November 13, 2008
December 9, 2008

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