Parity and Equity Issues
Cathy reviewed the impact changes in funding for health insurance increases in the proposed 2007-09 executive and house budget has had on parity and equity distributions across the eleven campuses. Bob Gallager suggested an amendment is needed to make the necessary adjustments since the budget, as it now stands, is not consistent with the original SBHE intent. The consensus was that due to the overall immateriality to the budget the NDUS not proceed with adjustments to the budget. It was further suggested that differences be reflected in future funding equity comparisons. Laura said she would brief the Cabinet and SBHE.

Senate Bill 2047
Laura reviewed the HRC recommendation on Engrossed SB 2047 which would require all state employees to participate in the PERS deferred compensation program, unless they opt-out within 30 days of beginning employment. The HRC originally proposed seeking an amendment to exempt all NDUS employees from the bill, but the amendment was not adopted in the Senate. Following that, the HRC once again reviewed the bill and voted (6 to 5) to oppose the bill, rather than seek an amendment, excluding NDUS employees.

Following discussion, it was the consensus of the Council to oppose the bill. This was recommended as an issue of fairness and equitable treatment among all employees and for ease of administration should the bill pass the legislature.

Tuition Waiver Research
Tamara reviewed the tuition waiver information collected to date, indicating she was unable to find any objective data by which to measure NDUS institutional practices. She indicated that the BFC has requested an update on the study at their Monday, March 5th meeting.
Several individuals raised concerns that if limits are imposed on waivers, programs and enrollments could be jeopardized. Council members indicated waivers are needed to compete for the best and the brightest students nationwide, especially considering the declining demographics of high school graduates in ND. It was also pointed out that institutions across the country are not consistent in their accounting practices of waivers, making it difficult to establish a valid benchmark.

It was suggested that the following be incorporated into the report: roundtable flexibility w/accountability, diversity and grad student waivers are needed for competitiveness, diversity is needed for accreditation, research that grad students provide jobs and expand the economy, waivers are often included in G&C agreements as cost share and staff waivers are needed for recruiting.

A draft report will be prepared and shared with the presidents’ cabinet prior to being sent to the BFC.

Centers of Excellence Audits
Tamara reminded the group of the NDUS’s response to the COE audit recommendation and agreed to work with the controller’s and NDSU/UND internal auditors to identify some agreed upon procedures for audits of the COE.

Financial Review
Laura reminded the group that the financial review would be presented to the BFC at their March 5 meeting. She indicated some changes were made to the report to address financial stability versus funding adequacy, but that no changes were made to individual campus data or narrative. A final copy will be forwarded to the group before being released to the BFC.