Administrative Affairs Council Meeting Minutes
Tuesday, December 1, 2015 – 1:00 p.m.

Conference Call

Attendance:
BSC, Tamara Barber, Dave Clark
DCB, Laura Pfeifer
DSU, Scott Hanson
LRSC, Corry Kenner, Joann Kitchens
MaSU, Steve Bensen
MiSU, Jonelle Watson
NDSCS, Dennis Gladen, Keith Johnson
NDSU, Bruce Bollinger, Mike Ellingson
Colette Erickson, Stacey Winter, Karin

Hegstad, Ramona Adams, Gary Wawers, Matt Chaussee, Cindy Rott, Dave Ruhland
UND, Alice Brekke, Cindy Fetch, Karla
Mongeon-Stewart
VCSU, Wesley Wintch
WSC, Laurie Furuseth, Cynthia Prom,
CTS, Mick Pytlik
NDUS, Tammy Dolan, Robin Putnam, Rick
Tonder, Terry Meyer

Ms. Dolan convened the meeting at 1 p.m. She said she looks forward to working with her colleagues and encourages open positive communication.

An update on the NDUS Foundation and EPA compliance for steam plants were added to the agenda.

SBHE Policy/HR Policy/NDUS Procedure – The Human Resource Council are also reviewing these policies/procedure/HR policies today at their meeting.

a. SBHE Policy 703.1 Early Retirement – A council member asked if phased retirement should be incorporated into this policy or will there be a separate policy? The HRC is proposing that phased retirement be a separate policy.
b. NDUS Procedure 601.0 Veterans’ Preference – There were no concerns.
c. NDUS HR 02 – Appointments – There were no concerns.
d. NDUS HR 5 – Pay Policy – There were no concerns. They would like to receive further clarification on the intent of Promotion Adjustments Section 5.1.7.
e. NDUS HR 13 – Employment of Relatives – There were no concerns

Data Inconsistencies Project Plan
Mick Pytlik provided the council with the objectives identified in phases 1 and 2 for the data inconsistencies project along with the timeline. As workgroups are identified that information will be shared with council members.

Phase 1 — through January 2016

1.2 - Standardize definitions & rules for creation of POI & CW
5.2 - Standardize procedures for p-card use and processing
5.4 - Standardize process to record mandatory fees
5.5 - Standardize procedures for tuition, fees, waivers, discounts, stipends
5.6 - Standardize Rules re: spouse/dependent waiver
8.2 - Standardize definition of FT student for FICA tax exemption
9.3 - Standardize definition and tracking of internships
9.4 - Annual Perf Review Complete checkbox

Phase 2 — February 2016 – April 2016
1.1 - Standardize extracts from HCM to reduce number of extracts maintained
2.1 - Standardize use of deduction & tax override flags in Department Budget Table
4.1 - Standardize recording of high school completion
5.1 - Standardize faculty sick leave (will extend into phase 3)
5.3 - Standardize admissions policies & procedures
8.1 - Standardize definition of distance ed student/course/program

IBARS & 2017 Biennial Budget preparation
Ms. Dolan said the 2015 Legislature directed higher education to begin entering more detail into OMB’s budget system. Legislators want to see budget detail for higher education as they do for other state agencies for all funding sources. Although the language in the legislation was vague, the intent is clear on what they expect. Concerns were expressed about the differences between higher education and other state agencies and will the legislators recognize those differences.

Ms. Dolan said work has begun to identify the electronic files that are available to us that could possibly be uploaded to IBARS. She asked council members if they want to re-engage the initial workgroup or identify another group to begin to work through the details. The following members either volunteered or were volunteered: Cindy Fetsch, Cindy Rott, Jonelle Watson, Dave Ruhland, and Cynthia Prom. Besides the names that are listed, others suggested were Karin Stiner, Cathy McDonald and Teri Thorsen. She will work with OMB to identify someone from that office who can also be a resource. Ms. Dolan will identify the work group and share that with council members.

Chancellor’s Studies: Governance, Cost Containment, Mission, Retention, Shared Services, and Tuition and Fees
Ms. Dolan said an update on the Chancellor’s six studies will be a standing agenda item and we will begin reporting on each of them at the next meeting.

Inconsistencies of Charging Mandatory Fees on Audited Courses
Ms. Dolan said there are currently four campuses (BSC, LRSC, WSC, and NDSCS) that charge Mandatory Fees for Audited Courses and we need to work toward consistency. After committee discussion, Mr. Clark said the fiscal impact to the BSC campus is minimal, and is willing to stop charging these fees. The other three campuses that charge this fee also concurred that the fiscal impact to their campus is minimal and won’t charge the fee.

Ms. McDonald will get back to council members on the effective date in which campuses should no longer charge this fee. She will also review SBHE Policies 805.3 and 805.2 as well as any NDUS Procedures for potential changes.
Reserve Balances – SBHE policy 810.1 (3c) indicates: “Information on reserve fund balances will be included in the annual financial review report provided to the State Board of Higher Education by each institution.” What the policy doesn’t address is what “information on reserve fund balances” should be included.

Ms. Putnam said she will prepare the NDUS Annual Financial Review report for the SBHE Budget and Finance Committee Spring 2016. She asked if there’s any specific information related to reserve balances that needs to be included in the report.

After council discussion, it was determined that each campus already submits detailed information to the NDUS Office. It was suggested that a high level table and verbiage be added to explain what the data is telling the reader, which could then be added to the report.

Drone Operations/Insurance
Ms. Barber asked how campuses are handling the liability aspects of operating drones on their campus. BSC has used them for marketing purposes as well as at some events. NDSU said the campus is working with the A.G.’s Office and it is their understanding that Risk Management won’t cover drones. Mr. Kenner said the campus uses them for instructional purposes and is currently working with Risk Management. Ms. Barber was going to contact Risk Management.

Extraordinary Repair Fund for Special Assessment
Ms. Dolan said at the last Interim Higher Education Committee meeting, the committee discussed the use of extraordinary repair dollars to pay special assessments. It is the committee’s intent that campuses shouldn’t use those dollars to pay campus special assessment installments. Although this isn’t written in legislation, it is the committee’s intent. These payments are to be paid out of campus operating budgets. Concerns were expressed.

Clarification on Required Reporting for Extraordinary Repairs Match
Ms. Brekke asked if there is any further clarification on reporting. Ms. Dolan said this wasn’t a topic on the November Interim Higher Education Committee agenda. Nonetheless, Mr. Tonder is developing a template that campuses can complete knowing that at some point it will need to be reported to the interim committee.

Review State’s General Fund Forecast
Ms. Dolan said after OMB will be updated the general fund revenue forecast. If the forecast shows the State isn’t able to cover its appropriation obligations, they may order an across-the-board allotment. The potential allotment will apply to the total general fund appropriation, which includes capital projects and regular operating budgets. The only exception is the K-12 education budget because of the Foundation Aid Stabilization Fund.

In response to a question about capital project contracts that have already been signed, Ms. Dolan said that most contracts do have ‘Out Clauses.’ Mr. Tonder later confirmed.

It is unknown at this time, when the allotment could happen or how much it would be.
Clarify Process of Submitting Administrative Affairs/Budget Finance Committee agenda items
Will be postponed until a future meeting

2016 Administrative Affairs Council Meeting Dates
Ms. Dolan reviewed the proposed 2016 Administrative Affairs Council meeting dates with council members. It was noted that there’s a conflict with the Feb. 2 date. An alternative date will be selected and the dates will be shared with council members.

NDUS Foundation
The NDUS Foundation will be reactivated and will be in place by the end of the calendar year. It needs to be in place as Bakken U scholarship funds need to be deposited for future scholarships.

EPA Compliance
Mr. Tonder, updated council members on the upcoming EPA compliance requirements for steam boilers. Earlier this year, NDDOH indicated that the new rules for smaller boilers would require upgrades to comply with new emission laws. Since that time NDDOH has revisited the code, and based on a revised interpretation, indicate the costs for compliance may be significantly less. He has asked the AG’s Office to confer with the NDDOH’s AG appointee to determine if the most recent interpretation can be used for future course of action. Once he hears back, steps to retain consulting services (either as a group or individually) will have to be taken to determine what the actual cost impact will be, and subsequently include that information in the campus master plans by Feb. 2016.

The meeting adjourned at 2:55 p.m.