State Capitol – 600 E Boulevard Ave – Dept. 215
Bismarck ND 58505-0230
Phone: 701.877.5703
E-mail: ndus.inquiry@ndus.edu Web: ndus.edu

North Dakota State Board of Higher Education

Budget and Finance Committee Meeting Minutes

The State Board of Higher Education Budget and Finance Committee met via Teams on March 17, 2026, at 10:30 a.m. CT.

SBHE Budget and Finance Committee members

☒ Mr. Tim Mahalick, Chair
☒ Ms. Michelle Kommer
☒ Mr. Curtis Biller
☒ Mr. Pat Sogard
☒ Mr. Kevin Black

Institution Presidents/Representatives

BSC: Interim President Leingang, Ms. Rebecca Collins, **DSU:** President Molander, **LRSC:** President Simone, Ms. Joann Kitchens, **MaSU:** President Van Horn, Ms. Amber Hill, **MiSU:** President Shirley, Ms. Krista Lambrecht, **NDSCS:** President Flanigan, Mr. Keith Johnson, **NDSU:** Interim President Berg, Ms. Karin Hegstad, Ms. Deanna Pederson, Mr. Travis Aho, Mr. Mark Genkinger, Ms. Lisa Ripplinger, Mr. Bruce Bollinger, **UND:** Ms. Karla Mongeon-Stewart, Ms. Odella Fuqua, Mr. Namil Choi, Mr. Brian Larson, Ms. Becky Lucke, **VCSU:** Interim President Burgad, Ms. Erica Buchholz, **WSC:** President Hirning, Mr. Hunter Berg, Ms. Deborah Halvorson.

System Office/CTS/Guests

NDUS: Commissioner Sanford, Ms. Bethany Kadrmas, Ms. Christina Pieske, Ms. Jamie Wilke, Mr. Cory Wigdahl, Ms. Maryann Olson, Ms. Sharon Schwartzbauer, Ms. Claire Gunwall, Mr. Chris Pieske, DC Meredith Larson, Mr. Eric Jensen, Ms. Mindy Sturn, Dr. Jennifer Weber, DC David Krebsbach, Ms. Robin Putnam, Ms. Brenda Zastoupil, Ms. Jane Grinde, DC Lisa Johnson, Ms. Edynn Glatt, Mr. Dustin Walcker, Dr. Billie Jo Lorius, **CTS:** Mr. Corey Quirk, **Attorney General's Office:** Mr. Shaun McNamara.

Call to Order

1. **# Agenda**
   Black moved, Biller seconded, to approve the agenda, as presented.
   Motion passed unanimously by voice vote.

 # Consent Agenda

2. February Meeting Minutes
   Biller moved, Sogard seconded, to approve the February 17, 2026, meeting minutes, as presented.
   Motion passed unanimously by voice vote.

 # SBHE Policies

3. Policy 611.1 Employee Responsibility and Activities: Medical Service Plan - UND School of Medicine and Health Sciences
   Mr. Pieske presented the periodic review of SBHE Policy 611.1, noting that the UND SMHS school recommended no substantive changes.

Biller moved, Black seconded to approve Policy 611.1, as presented.
Motion passed, 5-0.

 # Committee Business

4. UND - Name NCoBPA Endowed Professorship
   Ms. Mongeon-Stewart presented UND's request as to the naming of a professorship in the College of Business, funded by an anonymous end-of-life gift, meeting all UND and state board requirements.
   Black moved, Biller seconded to approve UND's request in naming of a professorship in the College of Business.
   Motion passed, 5-0.

5. UND - Name SMHS Endowed Professorship
   Ms. Mongeon-Stewart presented a second, similar request for an endowed professorship from the same anonymous donor, which also met all criteria.
   Biller moved, Sogard seconded to approve UND's request for SMHS endowed professorship.
   Motion passed, 5-0.

6. UND - Fox Memorial Bridge Project
   Mr. Larson provided an overview of the project to replace the Ernest F. Fox Memorial Pedestrian Bridge at UND, detailing the need and estimated cost.
   Sogard moved, Black seconded to approve UND'S request to replace the Ernest F. Fox Memorial Pedestrian Bridge.
   Motion passed, 5-0.

7. WSC Healthcare Building Naming Rights
   Mr. Berg presented a proposal to name a new healthcare training facility after a significant estate donor.
   Sogard moved, Biller seconded to approve WSC's request to name the new healthcare training facility after the donor.
   Motion passed, 5-0.

8. Annual Tuition, Housing, Food & Fee Report
   Ms. Wilke presented the proposed tuition, housing, food, and fee rates for the 2026-27 academic year, detailing fee structures, changes, and institutional requests.
   Biller moved, Black seconded to approve the 2026-27 tuition, housing, food, and fee rates, as presented.
   Motion passed, 5-0.

Committee Reports/Updates/Discussion

9. Mid-year Budget Status Report
   Ms. Wilke reported on institutions with significant variances in net tuition revenue and auxiliary revenues, attributing increases or decreases to enrollment changes and housing occupancy. She noted two institutions' deficit balances are related to timing of accounts receivable collection, and the third institution's deficit balance is being reviewed by the institution to determine if or how to continue the program in deficit. All institutions reporting that they will meet the bond reserve requirement and no institution is reporting a need for a deficiency request. Two institutions reported legal action and

four institutions provided comments on significant impacts on campus revenues and expenditures, largely due to concerns with uncertainty with federal and state funding.

10. 2025 Fall Affordability Report
    Ms. Zastoupil presented the 2025 Fall Affordability Report, stating that it is an update from the spring affordability report.

11. 2025 Annual Financial Review
    Ms. Putnam provided an overview of the Composite Financial Index (CFI) and other financial ratios for each institution. She also discussed the impact of state transfers and appropriations on DSU's financial ratios, noting that without these, certain ratios would be in the 'of concern' range. She explained the effect of capital appropriations on net income margin and the ongoing financial review at DSU.

12. Dual Credit/Funding
13. Deferred Maintenance
14. Shared Services
    Chair Mihalick took chair's prerogative and skipped down to item fifteen, indicating that discussions on dual credit, deferred maintenance, and shared services are ongoing.

15. Funding Formula
    Commissioner Sanford explained the proposed model for NDSU and UND, which uses FTE-based funding, incentives for degree completions within in-demand careers, and research productivity incentives. He described the rationale for including all students in the FTE calculation and the structure of research incentives. Commissioner Sanford and Ms. Wilke outlined the development of a separate model for the nine non-R1 institutions, which consider FTE by program level, economic size weighting, and credential-based incentives. They discussed the challenges of aligning diverse institutions and the legislative preference for simplification.

Adjourn

Committee Chair Mihalick adjourned the meeting at 12:07 p.m., CT.