

HB 1392

Senate Education Committee

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Chair Elkin and members of the Senate Education Committee. My name is Karla Mongeon-Stewart, and I serve as the Vice President for Finance and Operations and Chief Operating Officer for the University of North Dakota. I support HB 1392 and recommend a Do Pass.

HB 1392 provide North Dakota higher education institutions the ability to deposit funds from related organizations or foundations into the institution's financial account at the Bank of North Dakota. These funds may then be disbursed without being considered a gift under section 18 of Article X of the ND Constitution.

Foundations and student organizations are currently required to maintain their cash in separate bank accounts. UND does not have an issue with the current structure because we have a large enough foundation and related staffing to manage these accounts. However, we support our sister schools with significantly less staffing and resources to maintain these dollars in the institution's Bank of North Dakota account and subsequently disburse those dollars for their specified purpose.

Student organization accounts are particularly vulnerable under the current rules as the turnover in these organizations can be frequent and create additional risk for these organizations to be required to maintain separate bank accounts for their organizations.

The proposed language will allow a small foundation, student organizations or other related-entity to deposit funds and subsequently disburse those funds for their intended purpose.

Thank you for your consideration.