



HIGHER EDUCATION FUNDING REVIEW COMMITTEE

Wednesday, June 3, 2026
Harvest Room, State Capitol
Bismarck, North Dakota

Senator Ronald Sorvaag, Chairman, called the meeting to order at 9:03 a.m.

Members present: Senators Ronald Sorvaag, Josh Boschee, Scott Meyer, Jonathan Sickler; Representatives Karla Rose Hanson, Mike Nathe, Steve Swiontek; Citizen Members Bruce A. Bollinger, Erica Buchholz, Keith Johnson, Joann Kitchens, Krista Lambrecht, Karla Mongeon-Stewart

Members absent: None

Others present: Senator Brad Bekkedahl, Williston, and Representative LaurieBeth Hager, Fargo, members of the Legislative Management

Bernell Hirning, Williston State College; Scott Molander, Dickinson State University; Brent Sanford, North Dakota University System

See [Appendix A](#) for additional persons present.

It was moved by Representative Swiontek, seconded by Representative Hanson, and carried on a voice vote that the minutes of the March 25, 2026, meeting be approved as distributed.

Ms. Lisa Johnson, Deputy Commissioner for Academic and Student Affairs, North Dakota University System office, presented information ([Appendix B](#)) regarding low-completion programs at institutions under the control of the State Board of Higher Education (SBHE). She noted:

- The SBHE is considering a draft policy relating to low-producing programs (LPP), which are defined as academic programs that generate relatively low levels of graduates.
- The LPP policy is intended to support academic quality, responsible stewardship of public resources, workforce responsiveness, regional service, and institutional mission alignment.
- The University System intends to produce an annual list of LPP using a rolling 5-year review period to identify programs that do not meet minimum thresholds of 10 graduates for undergraduate degree programs and 5 graduates for graduate degree programs.
- Campuses have eliminated 112 academic programs since 2019, including 38 programs in 2026.

In response to questions from committee members, Ms. Johnson noted she is not currently able to identify the level of cost-savings associated with the elimination of academic programs since 2019.

Ms. Jamie Wilke, Director of Finance, North Dakota University System office, presented information ([Appendix C](#)) regarding the University System Capital Building Fund Program. She noted the Legislative Assembly transferred \$26.5 million from the Strategic Investment and Improvements Fund to Tiers II and III of the University System Capital Building Fund for the 2025-27 biennium and money designated for Tiers II and III has been used for student housing projects at Bismarck State College (BSC) and North Dakota State University, renovations of the Old Main buildings at Mayville State University and Dakota College at Bottineau, a renovation of the Chester Fritz Library at the University of North Dakota (UND), and various other deferred maintenance and capital projects at University System institutions since the 2019-21 biennium.

Ms. Wilke presented information ([Appendix D](#)) regarding potential funding calculations for the 2027-29 biennium for campuses under the control of the SBHE using the higher education funding formula. She noted formula funding for University System institutions is projected to increase by \$18.1 million, or 2.6 percent, from the 2025-27 biennium, including increases for BSC (\$5 million), the North Dakota State College of Science (\$5.9 million), Minot State University (\$4.1 million), and UND and the UND School of Medicine and Health Sciences (\$5 million), and decreases for Dakota College at Bottineau (\$130,463) and North Dakota State University (\$6.7 million).

Mr. Alex J. Cronquist, Senior Fiscal Analyst, Legislative Council, presented a bill draft [\[27.0134.01000\]](#) regarding the higher education funding formula, the University System Capital Building Fund, and local fund sources for capital construction projects. He noted the bill draft would:

- Establish a new higher education funding formula based on full-time equivalent (FTE) student enrollment, in-demand degree completions, and research expenditures;
- Combine Tiers II and III of the University System Capital Building Fund and remove restrictions on which facility projects are eligible to use money in the fund;
- Transfer \$37.6 million from the Strategic Investment and Improvements Fund to the University System Capital Building Fund and allocate the funds based on campus square footage; and
- Eliminate certain restrictions on the sources of local matching funds for capital projects to allow revenue from grants, tuition, and fees to be used as matching funds by the campuses.

Ms. Wilke distributed a schedule ([Appendix E](#)) identifying the calculated funding related to the bill draft.

Committee members suggested:

- The committee receive additional information regarding how the funding per FTE student was determined.
- The in-demand degree completions calculation be based on the in-demand occupations list for the prior biennium rather than only the prior year.
- The in-demand degree completions calculation provide funding for completion of professional practice doctoral degrees, not all doctoral degrees, as nonprofessional practice doctoral degrees are rewarded under the research component of the formula.
- The degrees eligible for funding under the in-demand degree calculation be clarified.
- Funding be considered for completion of certain certificate programs.
- A rolling 4-year average be used for the calculation of research expenditures.
- Provisions for the calculation of the research portion of the formula be simplified.

Mr. Brent Sanford, Commissioner, North Dakota University System, commented regarding the higher education funding formula. He noted:

- The current higher education funding formula is very complex and the proposed funding formula based on FTE enrollment can be more easily explained.
- The current higher education formula, based on the federal classification of instructional programs (CIP) codes, includes risk of inconsistencies in reimbursement for similar courses that are coded differently among campuses.

Dr. Brian Kalk, President, Bismarck State College, commented regarding the committee's consideration of a new higher education funding formula. He noted BSC would work with whatever funding formula the Legislative Assembly enacts.

Dr. Bernell Hirning, President, Williston State College, commented regarding the committee's consideration of a new higher education funding formula. He noted he needs to further evaluate the proposal, but he supports prioritized funding for in-demand degrees included in the proposed formula.

Dr. Carmen Simone, President, Lake Region State College, commented regarding the committee's consideration of a new higher education funding formula. She noted any incentive for the campuses to work together is important.

Mr. Scott Molander, President, Dickinson State University, commented regarding the committee's consideration of a new higher education funding formula. He noted services for freshman and sophomore students are important for retention.

Senator Sickler presented a proposed funding formula ([Appendix F](#)) that is primarily based on weighted credits, with incentives for degree completions, degree progression, and research. He noted his proposed funding formula would result in a \$20.4 million, or 3.3 percent, increase in funding compared to the 2025-27 biennium.

In response to a question from a committee member, Chairman Sorvaag requested the University System office to provide updated campus square footage numbers for the 2027 legislative session.

Mr. Sanford noted because the in-demand occupations list compiled by the North Dakota Workforce Development Council and Job Service North Dakota does not perfectly align with degrees offered by University System institutions, some interpretation is necessary by the University System office to use the CIP codes to group associated degrees with in-demand occupation areas.

No further business appearing, Chairman Sorvaag adjourned the meeting at 1:53 p.m.

Alex J. Cronquist
Senior Fiscal Analyst

ATTACH:6