

**SECTION 25. SYSTEMWIDE FUNDING POOLS - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT REPORT.** The following line items contained in subdivision 1 of section 1 of this Act include funding that may be transferred in full or in part as provided in this section for the period beginning with the effective date of this Act and ending June 30, 2017, by the state board of higher education to the institutions and entities under its control as follows:

1. The deferred maintenance funding pool line item includes funding that must be used for eligible projects to address deferred maintenance at institutions identified in this subsection. To be eligible to receive funding under this subsection, a project must be identified in campus master plan and space utilization studies and be approved by the board. The maximum amount that may be transferred to each institution from the funding pool is as follows:
  - a. \$3,500,000 to North Dakota state university;
  - b. \$3,500,000 to the university of North Dakota;
  - c. \$700,000 to Bismarck state college;
  - d. \$500,000 to Mayville state university; and
  - e. \$500,000 to lake region state college.
2. The education incentive programs line item includes funding that may be allocated to education incentive programs based on program eligibility criteria and the reduction or elimination of specific programs as determined by the board.
3. The campus security funding pool line item includes funding that must be used to address security needs at institutions based on campus risk and security assessments.
4. The internal audit funding pool line item includes funding that must be used for systemwide and campus internal audit purposes.

The state board of higher education shall provide reports to the legislative management during the 2015-16 interim regarding distributions from the deferred maintenance, campus security, and internal audit funding pools.