

**North Dakota University System Office
Budget 215
Senate Bill No. 2003; House Bill No. 1289**

	FTE Positions	General Fund	Other Funds	Total
2013-15 legislative appropriation	112.91	\$156,169,477 ¹	\$2,299,912	\$158,469,389
2011-13 legislative appropriation	<u>100.31</u>	<u>101,239,245</u>	<u>2,754,718</u>	<u>103,993,963</u>
2013-15 appropriation increase (decrease) to 2011-13 appropriation	12.60	\$54,930,232	(\$454,806)	\$54,475,426

¹This amount includes one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$111,561,723.

NOTE: The 2013-15 legislative appropriations amounts from the general fund have been reduced for the following funding allocations made to institutions:

- \$5,000,000 for distributions from the deferred maintenance funding pool.
- \$875,659 for distributions from the capital projects contingency funding pool.

Item Description

System governance funding - The Legislative Assembly appropriated \$2 million from the general fund for a system governance funding pool with specific uses of funds to be determined by the State Board of Higher Education.

Capital projects contingency funding pool - The Legislative Assembly appropriated \$5,483,413 of one-time funding from the general fund to the University System office for a capital projects contingency funding pool. Section 24 of Senate Bill No. 2003 provides the State Board of Higher Education may transfer funds from the pool to institutions if the lowest acceptable bid for a general fund capital project exceeds the legislative appropriation for the project.

Performance funding pool - The Legislative Assembly appropriated \$5 million of one-time funding from the general fund to the University System Office for a performance funding pool to be distributed to campuses. Section 21 of Senate Bill No. 2003 requires the funding to be allocated to institutions based on the institution meeting specified goals or measures as determined by the board.

Deferred maintenance funding pool - The Legislative Assembly appropriated \$10 million of one-time funding from the general fund to the University System office for a deferred maintenance funding pool. Section 21 of Senate Bill No. 2003 requires that at least half of the funding in the pool be distributed based on a campus master plan and space utilization study.

Status/Result

The North Dakota University System office is using the funds for several new FTE positions including a chief of staff, a facility planner, a contract and planning specialist, a communications specialist, and an internal auditor. Funds were also used to buyout the contract of a previous Chancellor.

Through March 2014, the State Board of Higher Education has approved allocations from the capital projects contingency funding pool totaling \$875,659 as follows:

Institution	Project	Amount
Dakota College at Bottineau	Campus generator project	\$16,675
Lake Region State College	Erlandson Technical Center project	251,433
Williston State College	Stevens Hall renovation	517,551
Williston State College	Campus Drive project	90,000
Total		<u>\$875,659</u>

As of April 2014, the State Board of Higher Education has not made any distributions from the performance funding pool.

The State Board of Higher Education has distributed \$5 million of the funding as follows:

Institution	Deferred Maintenance Allocation
Bismarck State College	\$487,789
Lake Region State College	75,000
Williston State College	117,180

University of North Dakota	1,719,165
North Dakota State University	1,288,083
North Dakota State College of Science	419,239
Dickinson State University	145,603
Mayville State University	175,010
Minot State University	255,929
Valley City State University	212,002
Dakota College at Bottineau	75,000
Forest Service	30,000
Total	\$5,000,000

The remaining \$5 million of funds will be distributed upon completion of the campus master plan and space utilization study. The study is estimated to be complete in June 2014.

Through March 2014, a total of \$4,987,236 of challenge grants have been distributed to institutions and institution foundations as follows:

Institution/Foundation	Total Grant Awards
Lake Region State College	\$125,000
Lake Region State College Foundation	136,150
University of North Dakota	955,003
University of North Dakota Foundation	1,937,493
North Dakota State University	203,716
North Dakota State University Foundation	751,304
North Dakota State College of Science Foundation	150,000
Mayville State University Foundation	44,325
Minot State University	300,000
Minot State University Foundation	384,246
Total	\$4,987,237

A total of 3,687 students received a CTE or an academic scholarship during the fall 2013 semester. The following schedule details the types of North Dakota institutions attended by students receiving a scholarship during the fall 2013 semester:

	Type of Institution Attended by Scholarship Recipients (Fall 2013 Semester)				
	Two-Year Public or Tribal Institution	Four-Year Public Institution	Public Research Institution	Private Institution	Total
Academic scholarship recipients	142	267	1,767	336	2,512
CTE scholarship recipients	273	205	561	136	1,175
Total	415	472	2,328	472	3,687

Higher education challenge grants - The Legislative Assembly appropriated \$29 million of one-time funding from the general fund for higher education challenge grants. Sections 5 through 10 of Senate Bill No. 2003 provide guidelines regarding the distributions of the grants.

Career and technical education (CTE) and academic scholarship programs - The Legislative Assembly appropriated \$10 million from the general fund for CTE and academic scholarships, the same as the 2011-13 biennium.

System Information Technology Services office consolidation - Section 22 of Senate Bill No. 2003 requires all newly hired System Information Technology Services employees to be located in the joint information technology building on the campus of the University of North Dakota unless the employee is assigned to a specific campus or to the University System office.

The University System anticipates adequate funds will be available for the scholarship programs for the 2013-15 biennium.

The Information Technologies Building was substantially complete as of October 15, 2013. Since that date, eight new System Information Technology Services employees have been hired. Seven of the new employees are located in the joint information technology building, and one employee is telecommuting from the employee's home.