

**North Dakota University System Office
Budget No. 215
House Bill Nos. 1003, 1021, 1051, 1151, and 1201**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriations	104.39	\$154,629,019	\$5,011,216	\$159,640,235
2015-17 base budget	112.91	111,561,723	2,299,912	113,861,635
Legislative increase (decrease) to base budget	(8.52)	\$43,067,296	\$2,711,304	\$45,778,600

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 legislative appropriations	\$117,565,769	\$37,063,250	\$154,629,019
2013-15 legislative appropriations	111,561,723	50,483,413	162,045,136
2015-17 legislative increase (decrease) to 2013-15 appropriations	\$6,004,046	(\$13,420,163)	(\$7,416,117)
Percentage increase (decrease) to 2013-15 appropriations	5.4%	(26.6%)	(4.6%)

SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the North Dakota University System office and Core Technology Services includes funding for 3 percent annual salary increases and health insurance increases reflecting revised premium estimates.

	Changes to Base Budget			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Added funding for base payroll changes for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes for the University System office and Core Technology Services.		\$347,641		\$347,641
Added funding for 2015-17 biennium performance salary adjustments of 3 percent per year for University System office and Core Technology Services employees.		1,189,312		1,189,312
Added funding for employee health insurance premiums to reflect a premium estimate of \$1,130.22 per month.		460,952		460,952
Transferred 1 FTE position and related federal funding for the State Approving Agency to the Department of Veterans' Affairs.	(1.00)		(\$288,696)	(288,696)

Removed 7.6 legal FTE positions and related funding. (This amount does not include any FTE positions or legal functions supported by campus assessments.)	(7.60)	(2,558,140)	(2,558,140)
Removed 3 internal audit FTE positions and related funding. (This amount does not include any FTE positions or internal audit functions supported by campus assessments.)	(3.00)	(771,964)	(771,964)
Adjusted the number of FTE positions for the University System office and Core Technology Services pursuant to Section 36 of 2013 Senate Bill No. 2003, which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds.	3.08		
Reduced funding for system governance.		(2,000,000)	(2,000,000)
Added funding for Core Technology Services initiatives relating to information technology security, centralized document imaging, identity management, predictive analytics reporting, and other student success programs. Of this amount, \$2,821,500 is considered one-time funding.		5,799,800	5,799,800
Added funding for commendatory grants for faculty members. (Senate Bill No. 1201)		4,800	4,800
Increased funding for the Academic and Career and Technical Education scholarship programs for costs to continue the program.		4,054,677	4,054,677
Increased funding for needs-based student financial assistance grants to increase the maximum grant award from \$1,650 per year to \$1,950 per year.		4,388,597	4,388,597
Increased funding for student mental health services.		33,480	33,480
Added funding for an internal audit pool to be used for systemwide internal auditing.		300,000	300,000
Adjusted funding for the tribal college assistance grant program to provide that \$500,000 is from the student loan trust fund rather than the general fund.		(500,000)	500,000
Added funding for centralized desktop support services for the University System office, of which \$81,750 is considered one-time funding. (House Bill No. 1021)		175,350	175,350
Added one-time funding for costs relating to the retention of electronic mail messages. (House Bill No. 1051)		350,000	350,000
Added one-time funding for open education resources training.		110,000	110,000

Added one-time funding from the general fund and student loan trust fund to continue the higher education challenge grant program. (House Bill No. 1151)	21,000,000	2,500,000	23,500,000
Added one-time funding for a campus security pool to be distributed to campuses based on campus security and risk assessments.	3,000,000		3,000,000
Added one-time funding for a deferred maintenance funding pool to be distributed to certain campuses.	8,700,000		8,700,000
Reduced funding for capital bond payments to reflect lower estimated bond payments.	(2,067,209)		(2,067,209)
Added a contingent appropriation of \$50,000 for costs to create a unified system of workforce education.	50,000		50,000
Added a contingent one-time appropriation of \$1 million for University System office transition costs.	1,000,000		1,000,000
Total	<u>(8.52)</u>	<u>\$43,067,296</u>	<u>\$2,711,304</u>

FTE Changes

The Legislative Assembly included funding for 104.39 FTE positions, 8.52 less than the 2013-15 biennium. The Legislative Assembly removed 7.6 legal FTE positions, 7.0 internal audit FTE positions, 1 State Approving Agency FTE position, and adjusted the FTE count to reflect the revised amount of positions supported by the general fund. Pursuant to Section 36 of House Bill No. 1003, the State Board of Higher Education is authorized to adjust FTE positions as needed during the 2015-17 biennium for entities under the control of the board. Any FTE adjustment must be reported to the Office of Management and Budget prior to submission of the 2017-19 budget request.

One-Time Funding

The Legislative Assembly identified \$159,547,268 of funding from the general fund as one-time funding for the University System. These amounts are not to be considered part of the University System's base budget for the 2017-19 biennium, and the University System is to report to the Appropriations Committees of the 65th Legislative Assembly on the use of this funding. The table below summarizes one-time funding provided to the University System from the general fund for the 2015-17 biennium.

Major capital projects	\$99,909,212
Higher education challenge fund (University System office)	21,000,000
University of North Dakota School of Medicine and Health Sciences - Health care workforce initiative plan and residency positions	18,514,806
Deferred maintenance pool (University System office)	8,700,000
Campus security pool (University System office)	3,000,000
Core Technology Services projects (University System office)	2,821,500
Williston State College extraordinary campus needs	2,500,000
Contingent appropriation for University System office reorganization (University System office)	1,000,000
Dickinson State University Theodore Roosevelt Center operations	800,000
North Dakota Museum of Art deferred maintenance	760,000
Electronic mail retention implementation (University System office)	350,000
Open education resource training (University System office)	110,000
University System office desktop support services (University System office)	81,750
Total	\$159,547,268

Contingent Appropriations for University System Office Operations

House Bill No. 1003 includes the following contingent general fund appropriations for the University System office:

- **Unified System of workforce education** - Section 3 provides a contingent appropriation of \$50,000 for costs associated with creating a unified system of workforce, vocational, and technical education. The appropriation is contingent upon the State Board of Higher Education certifying to the Office of Management and Budget that a unified workforce, vocational, and technical program has been established.
- **University System office transition costs** - Section 4 provides a contingent one-time appropriation of \$1 million for the purpose of reorganizing the office of the Commissioner of Higher Education (Chancellor). The funding is available only if the State Board of Higher Education submits to the Budget Section a plan to reorganize the Commissioner's office. The plan must detail the proposed organizational structure of the office, priorities of the office, and process changes to increase University System efficiencies. The Budget Section may approve all or a portion of the contingent appropriation.

Competitive Research

The Legislative Assembly provided \$7.05 million from the general fund for competitive research, the same amount as provided for the 2013-15 biennium. The following is a summary of funding for the competitive research program:

Biennium	General Fund
1995-97	\$1,980,000
1997-99	\$1,980,000
1999-2001	\$1,971,000
2001-03	\$4,000,000
2003-05	\$4,750,000 ¹
2005-07	\$5,190,000
2007-09	\$5,650,000
2009-11	\$7,050,000 ²
2011-13	\$7,050,000
2013-15	\$7,050,000
2015-17	\$7,050,000

¹The 2003 Legislative Assembly provided that \$100,000 of the \$4,750,000 be used for a public-private partnership for establishment of a design center at UND.

²The 2009 Legislative Assembly provided that \$400,000 of the \$7,050,000 be used for the National Aeronautics and Space Administration Experimental Program to Stimulate Competitive Research.

System Governance

The Legislative Assembly provided \$7,526,993 from the general fund for system governance. The table below details funding provided for system governance during the 2013-15 and 2015-17 bienniums.

	2013-15 Biennium Legislative Appropriation	2015-17 Biennium Legislative Appropriation	2015-17 Biennium Increase (Decrease) From 2013-15 Biennium
General fund	\$12,377,806	\$7,526,993	(\$4,850,813)
Special funds	288,696	0	(288,696)
Total	\$12,666,502	\$7,526,993	(\$5,139,509)

Core Technology Services

The Legislative Assembly provided \$45,980,965, of which \$45,441,528 is from the general fund and \$539,437 is from the student loan trust fund, for support of the Higher Education Computer Network, the Interactive Video Network, the On-line Dakota Information Network, and other related technology initiatives. The table below summarizes funding provided for system information technology services.

	2013-15 Biennium Legislative Appropriation	2015-17 Biennium Legislative Appropriation	2015-17 Biennium Increase (Decrease) From 2013-15 Biennium
General fund	\$38,123,114	\$45,441,528	\$7,318,414
Student loan trust fund	539,437	539,437	0
Total	\$38,662,551	\$45,980,965	\$7,318,414

Student Financial Assistance Grants

The Legislative Assembly provided \$25,634,276 from the general fund for student financial assistance grants. This represents an increase of \$4,388,597 from the 2013-15 biennium appropriation of \$21,245,679. The additional funding will be used to increase the maximum grant award amount from \$1,650 to \$1,950 per year. To qualify, a student must be a resident undergraduate student who has graduated from a North Dakota high school and is attending a qualified postsecondary institution in North Dakota. The award of grants is based on student need. The following is a summary of funding for student financial assistance grants:

Biennium	Maximum Grant Award	Legislative Appropriations			
		General Fund	Federal Funds	Other Funds	Total
1995-97	\$600	\$2,032,478	\$400,000	\$1,350,000	\$3,782,478
1997-99	\$600	\$1,495,000	\$410,986	\$2,574,400	\$4,480,386
1999-2001	\$600	\$1,735,881	\$140,000	\$2,574,400	\$4,450,281
2001-03	\$600	\$2,670,881	\$214,000	\$1,338,150	\$4,223,031
2003-05	\$600	\$2,730,215	\$200,000	\$0	\$2,930,215
2005-07	\$1,000	\$3,332,402	\$172,000	\$0	\$3,504,402
2007-09	\$1,000	\$5,823,497	\$164,000	\$0	\$5,987,497
2009-11	\$1,500	\$19,025,594	\$348,428	\$0	\$19,374,022
2011-13	\$1,500	\$19,025,594	\$348,428	\$0	\$19,374,022
2013-15	\$1,650	\$21,245,679	\$0	\$0	\$21,245,679
2015-17	\$1,950	\$25,634,276	\$0	\$0	\$25,634,276

Professional Student Exchange Program

The Legislative Assembly provided \$4,275,015, of which \$3,809,708 is from the general fund and \$465,307 is from the student loan trust fund, for the professional student exchange program. The program assists North Dakota students enrolling in professional programs not offered in the state including dentistry, optometry, and veterinary medicine. The following is a summary of funding for the professional student exchange program:

Biennium	General Fund	Student Loan Trust Fund	Total
1995-97	\$1,326,756		\$1,326,756
1997-99	\$1,389,801		\$1,389,801
1999-2001	\$1,310,716		\$1,310,716
2001-03	\$1,560,716		\$1,560,716
2003-05	\$1,678,300		\$1,678,300
2005-07	\$1,864,780	\$262,500	\$2,127,280
2007-09	\$2,199,566	\$523,380	\$2,722,946
2009-11	\$2,346,130	\$990,970	\$3,337,100
2011-13	\$2,856,131	\$465,307	\$3,321,438
2013-15	\$3,809,708	\$465,307	\$4,275,015
2015-17	\$3,809,708	\$465,307	\$4,275,015

Scholars Program

The Legislative Assembly provided \$2,113,584 from the general fund for the scholars program, the same amount as provided during the 2013-15 biennium. The scholars program provides full-tuition scholarships to resident students who score in the upper fifth percentile of North Dakota ACT test takers and enroll in an undergraduate program in the state. The following is a summary of funding for the scholars program:

Biennium	General Fund	Special Funds	Total
1995-97	\$496,403		\$496,403
1997-99	\$473,786	\$185,500	\$659,286
1999-2001	\$520,730	\$185,500	\$706,230
2001-03	\$770,730		\$770,730
2003-05	\$816,386		\$816,386
2005-07	\$862,077		\$862,077
2007-09	\$1,478,566		\$1,478,566
2009-11	\$2,113,584		\$2,113,584
2011-13	\$2,113,584		\$2,113,584
2013-15	\$2,113,584		\$2,113,584
2015-17	\$2,113,584		\$2,113,584

Native American Scholarship Program

The Legislative Assembly provided \$649,267 from the general fund for Native American scholarships, the same as the 2013-15 biennium. The following is a summary of funding for the Native American scholarship program:

Biennium	General Fund
1995-97	\$200,000
1997-99	\$204,000
1999-2001	\$204,082
2001-03	\$204,082
2003-05	\$204,086
2005-07	\$251,988
2007-09	\$380,626
2009-11	\$381,292
2011-13	\$574,267
2013-15	\$649,267
2015-17	\$649,267

Education Incentive Programs

The Legislative Assembly provided \$3,349,000 from the general fund for education incentive programs, the same amount as provided for the 2013-15 biennium. Section 25 of House Bill No. 1003 provides the funding may be allocated for education incentive programs as determined by the State Board of Higher Education. The board may determine the program eligibility for education incentive programs and may reduce or eliminate specific programs. Examples of programs that have been supported through this appropriation include the teacher shortage loan forgiveness program and the science, technology, engineering, and mathematics occupations loan forgiveness program.

Career and Technical Education and Academic Scholarships

The Legislative Assembly provided \$14,054,677 from the general fund for career and technical education and academic scholarships, an increase of \$4,054,677 from the 2013-15 legislative appropriations of \$10 million. The increased funding will be used to continue existing scholarship awards and for additional students becoming eligible to receive a scholarship.

To be eligible for a scholarship, a student must be a resident of the state, complete the requirements for a high school diploma, and meet the following program requirements for one of the programs as follows:

Career and Technical Education Scholarship	Academic Scholarship
<p>Complete four units of English language arts</p> <p>Complete three units of mathematics, including one unit of Algebra II and two units of other mathematics</p> <p>Complete three units of science</p> <p>Complete three units of social studies</p> <p>Complete one unit of physical education or one-half unit of physical education and one-half unit of health</p> <p>Complete two units of a coordinated study plan as recommended by the Department of Career and Technical Education</p> <p>Complete one unit selected from foreign language, Native American language, American sign language, fine arts, or career and technical education</p> <p>Complete five additional units, two of which must be in the area of career and technical education</p> <p>Obtain a cumulative grade point average of at least 3.0 on a 4.0 grading scale for all courses taken or only for courses taken that are required for the scholarship</p> <p>Obtain a grade of at least "C" in each unit or one-half unit required for the scholarship</p> <p>Receive a composite score of at least 24 on the ACT or a score of at least 5 on each of three WorkKeys assessments</p>	<p>Complete four units of English language arts</p> <p>Complete one unit of Algebra II and one unit of mathematics for which Algebra II is a prerequisite</p> <p>Complete three units of science</p> <p>Complete three units of social studies</p> <p>Complete one unit of physical education or one-half unit of physical education and one-half unit of health</p> <p>Complete two units of the same foreign language, the same Native American language, American sign language, or career and technical education from a coordinated study plan approved by the Superintendent of Public Instruction</p> <p>Complete one unit selected from foreign language, Native American language, American sign language, fine arts, or career and technical education</p> <p>Complete any five additional units</p> <p>Obtain a cumulative grade point average of at least 3.0 on a 4.0 grading scale for all courses taken or only for courses taken that are required for the scholarship</p> <p>Obtain a grade of at least "C" in each unit or one-half unit required for the scholarship</p> <p>Receive a composite score of at least 24 on the ACT</p> <p>Fulfill one unit required for the scholarship through an advanced placement course or fulfill one-half unit required for the scholarship through a dual-credit course</p>

Any student that meets the requirements for a career and technical education scholarship or an academic scholarship is to receive a scholarship of \$750 per semester, or \$500 per quarter, for each period the student is enrolled at a North Dakota higher education institution and maintains eligibility up to a maximum amount of \$6,000.

Capital Construction Lease Payments

The Legislative Assembly provided \$8,368,836 from the general fund for University System capital construction lease payments. The following is a summary of the 2015-17 biennium legislative appropriation compared to the 2013-15 biennium legislative appropriation:

	2013-15 Biennium Legislative Appropriation	2015-17 Biennium Legislative Appropriation	Increase (Decrease) From 2013-15 Biennium
Capital construction lease payments - General fund	\$10,436,045	\$8,368,836	(\$2,067,209)

Capital Improvements

The following schedule presents the higher education capital improvement funding contained in appropriations approved by the Legislative Assembly for the 2015-17 biennium:

Entity/Project	2015-17 Legislative Appropriations	
	General Fund	Special Funds
University System office		
Deferred maintenance pool	\$8,700,000	
Total	\$8,700,000	
Bismarck State College		
Campus infrastructure	\$1,575,000	
Student Union lower level renovations		\$600,000
Extraordinary repairs	417,673	
Total	\$1,992,673	\$600,000
Lake Region State College		
Switchgear, electrical, and other campus repairs	\$1,648,423	
Extraordinary repairs	155,367	
Total	\$1,803,790	
Williston State College		
Extraordinary repairs	\$197,801	
Total	\$197,801	
University of North Dakota		
School of Medicine and Health Sciences facility project - Phase II	\$62,000,000	
Airport apron project	6,000,000	
Student engagement projects		\$6,000,000
North Dakota Museum of Art repairs	760,000	
Extraordinary repairs	4,411,566	
Total	\$73,171,566	\$6,000,000
North Dakota State University		
Aquatics center project (\$10 million of revenue bonding authorization)		\$11,000,000
Minard Hall		600,000
Extraordinary repairs	\$2,732,244	
Total	\$2,732,244	\$11,600,000
North Dakota State College of Science		
Infrastructure repairs	\$13,298,000	
Extraordinary repairs	1,012,379	
Total	\$14,310,379	
Dickinson State University		
Extraordinary repairs	\$409,078	
Woods Hall renovation and purchase of student housing properties (\$9.6 million of revenue bonding authorization)		\$11,500,000
Total	\$409,078	\$11,500,000
Mayville State University		
Extraordinary repairs	\$358,992	
Total	\$358,992	
Minot State University		
Extraordinary repairs	\$899,620	
Total	\$899,620	

Entity/Project	2015-17 Legislative Appropriations	
	General Fund	Special Funds
Valley City State University Heating plant replacement Health and wellness facility Extraordinary repairs Total	\$14,289,000 408,319	\$16,000,000
Dakota College at Bottineau Nelson Science Center Dormitory upgrades (\$2.9 million of revenue bonding authorization) Allied health facility Extraordinary repairs Total	\$1,098,789 114,007	\$3,784,076 6,864,118
Forest Service Extraordinary repairs Total	\$44,962	
Total Higher Education	\$120,531,220	\$56,348,194

Contingent Appropriations for Capital Projects

Section 8 of Senate Bill No. 2015 provides the following contingent general fund appropriations for capital projects at University System institutions:

Project	Contingent General Fund Appropriation	Contingency Criteria
Valley City State University - Fine Arts building	\$25,850,000	General fund revenues exceed legislative estimates made at the close of the 2015 legislative session for either the first six months of the 2015-17 biennium or the first year of the 2015-17 biennium by at least \$126 million.
North Dakota State University - Dunbar Hall	\$46,000,000	General fund revenues exceed legislative estimates made at the close of the 2015 legislative session for the first 18 months of the 2015-17 biennium by at least \$250 million.

Other Income

Section 31 of House Bill No. 1003 appropriates on a continuing basis all other funds, including tuition income, received by the institutions and entities under the control of the State Board of Higher Education during the 2015-17 biennium. Consequently, the legislative appropriations for higher education institutions entities generally do not include a specific appropriation of other funds, except for capital projects.

Other Sections in House Bill No. 1003

Appropriation - Attorney General - Section 6 provides an appropriation of \$1,136,994 from the general fund, of which \$700,000 is one-time funding, for an intellectual property attorney and the continuation of contracted higher education legal services.

Severance payments - Section 7 requires severance payments provided to University System office employees to comply with North Dakota Century Code Section 54-14-04.3. **(The Governor vetoed this section.)**

Use of electronic mail, file server, database administration, application server, and hosting services - Section 8 requires entities under the control of the State Board of Higher Education to obtain electronic mail, file server administration, database administration, storage, application server, and hosting services through a delivery system established by the board.

Audits of computer systems - Open records - Section 9 exempts computer vulnerability audits from disclosure under open records laws.

Unified workforce education system - Sections 10 and 11 require the State Board of Higher Education to create a unified system for workforce, vocational, and technical education programs. A workforce education advisory council is also created to advise the board regarding workforce education.

Scholarships report - Section 12 creates a new section to Chapter 15-10 to require the State Board of Higher Education to provide the Legislative Management an annual report on academic and career and technical education scholarships.

Higher education funding formula - Sections 13 through 16 adjust the higher education funding formula, including the credit volume completion factor and institutional size factor. The sections also adjust the base credit-hour funding rates.

Student financial assistance grants amounts - Section 17 creates Chapter 15-62.4 to increase the maximum needs-based student financial assistance grant amount from \$1,650 per year to \$1,950 per year, to clarify that the awards can be distributed on a semester or quarter basis, and clarifies the definition of an eligible recipient to be consistent with the academic and career and technical education scholarship program.

Scholars program - Section 18 adds a new chapter to provide clarification regarding residency requirements for the scholars program and the ability to disburse awards on a semester or quarter basis.

Higher education audit and legal positions - Section 19 clarifies that the State Board of Higher Education may have an internal audit function and Section 20 allows Assistant or Special Attorneys General to examine educational records identified under the Family Educational Rights and Privacy Act.

State Board of Higher Education budget requests - Section 21 and 22 require State Board of Higher Education budget requests to include the same detail as other state agency budget requests.

Carryover authority - Section 23 continues the authorization through July 31, 2017, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.

Repealed chapter - Section 24 repeals Chapter 15-62.2 which related to the student financial assistance grant program and the scholars program. Two new chapters were created for the programs.

Systemwide funding pool transfers - Section 25 provides that the State Board of Higher Education may transfer funds from the deferred maintenance funding pool, campus security pool, internal audit funding pool, and the education incentive programs funding pool to institutions under its control.

Project management oversight - Section 26 requires capital projects authorized by the State Board of Higher Education to have adequate project oversight by an institution official or representative of an external entity.

Minard Hall project - Section 27 authorizes North Dakota State University to continue 2007-09 and 2009-11 biennium appropriations for the Minard Hall project into the 2015-17 biennium. The section also requires North Dakota State University to provide reports on the status of the project to Budget Section.

Minot State University football stadium project - Section 28 authorizes Minot State University to use up to \$4 million of funds from the city of Minot and \$1 million of local institution funds for the football stadium press box project.

Student loan trust fund - Section 29 provides that \$3,504,744 of the special funds appropriated in the bill are from the student loan trust fund to be used for the professional student exchange program (\$465,307), tribal college assistance grants (\$500,000), campus leadership transition at Dickinson State University (\$2 million), and for ConnectND positions (\$539,437).

University of North Dakota School of Medicine and Health Sciences funding - Section 30 provides that a portion of the operations funding appropriated to the University of North Dakota be transferred to the University of North Dakota School of Medicine and Health Sciences consistent with the higher education student credit-hour funding method.

Continuing appropriation - Section 31 appropriates federal, private, and other local funds received by entities under the control of the State Board of Higher Education, including tuition revenue, during the 2015-17 biennium.

Transfer authority - Section 32 provides that the State Board of Higher Education may transfer funds from an institution's operations line item to the institution's capital assets line item if the board determines that additional funds are needed for capital projects or extraordinary repairs.

Performance funding pool carryover authority - Section 33 continues \$4 million of the \$5 million general fund appropriation for a performance funding pool provided during the 2013-15 biennium into the 2015-17 biennium and provides for the funds to be transferred to institutions affected by energy development.

Bismarck Family Practice Center skywalk project - Section 34 cancels the \$750,000 2013-15 biennium general fund appropriation for the Bismarck Family Practice Center skywalk project.

Theodore Roosevelt Center project - Section 35 directs the Office of Management and Budget to cancel on July 1, 2016, the \$6 million appropriation from the general fund appropriated for the Theodore Roosevelt Center by the 63rd Legislative Assembly, unless Dickinson State University certifies to the Office of Management and Budget that a project site has been selected, construction plans have been developed, and project construction will commence prior to January 1, 2017.

FTE positions - Section 36 authorizes the State Board of Higher Education to adjust FTE positions as needed for institutions and entities under its control.

Bond issue authorization - Section 37 authorizes the State Board of Higher Education to arrange for \$2.9 million of revenue bonds for dormitory projects at Dakota College at Bottineau and \$10 million of revenue bonds for an aquatic center project at North Dakota State University.

Extraordinary repairs funding - Section 38 provides for a 2-to-1 matching requirement for the use of extraordinary repairs funding from the general fund in the capital assets line item.

Tuition rate increase limitations - Section 39 limits tuition rate increases to 2.5 percent per year during the 2015-17 biennium unless the institution receives Budget Section approval.

Dickinson State University financial report - Section 40 requires a report from the State Board of Higher Education to the Budget Section regarding efforts to improve the financial stability of Dickinson State University.

Attorney salaries - Section 41 provides legislative intent that all Assistant Attorneys General employed in the Attorney General's office be provided salary and benefits in accordance with uniform salary and benefits schedules established by the Attorney General.

State Board of Higher Education data inconsistencies - Section 42 requires the State Board of Higher Education to address identified data inconsistency issues and report to the 65th Legislative Assembly regarding the status of the inconsistencies.

Use of funding disbursed from permanent funds - Section 43 requires a report from the State Board of Higher Education to the 65th Legislative Assembly regarding the use of funds disbursed to higher education institutions from permanent funds established for the benefit of the institution in Article IX, Section 1, of the Constitution of North Dakota.

Extraordinary campus needs report - Section 44 requires a report from Williston State College to the 65th Legislative Assembly regarding the use of extraordinary campus needs funding provided to the institution.

Legislative Management studies - Sections 45, 46, and 47 provide for Legislative Management studies of institution missions, higher education course delivery methods, and institution administration costs.

Related Legislation

House Bill No. 1013 - Permanent funds distributions - Provides the following distributions to University System institutions from permanent funds established for the benefit of the institutions:

Institution	Distribution
North Dakota State University	\$3,368,000
University of North Dakota	2,742,000
North Dakota State College of Science	1,066,000
Valley City State University	570,000
Mayville State University	382,000
Dakota College at Bottineau	78,000
Dickinson State University	78,000
Minot State University	78,000
Total	\$8,362,000

House Bill No. 1045 - Private postsecondary institution reporting requirements - Requires private postsecondary institutions to notify the State Board of Higher Education or State Board of Career and Technical Education of any changes to the institution's accreditation status. The bill also requires private postsecondary institutions to notify current or potential students if a program or course complies with the certification requirements of the appropriate professional board in the state.

House Bill No. 1051 - Higher education information technology - Systemwide email - Email retention - Records retention - Requires all institutions under the control of the State Board of Higher Education to use systemwide email and to retain all emails for two years. The bill also clarifies that the State Board of Higher Education and the institutions under the control of the State Board of Higher Education are included in the state's records retention policies. The bill provides a one-time general fund appropriation of \$350,000 for costs associated with implementing the email retention requirements.

House Bill No. 1052 - Higher education information technology reports - Requires the Chief Information Officer of the University System rather than the Commissioner of Higher Education (Chancellor) to coordinate with the Information Technology Department and to report to the Information Technology Committee.

House Bill No. 1127 - Residency for tuition purposes - Clarifies tuition residency requirements for veterans.

House Bill No. 1139 - Dickinson State University student housing - Provides a special funds appropriation of \$11.5 million to Dickinson State University for the Woods Hall renovation project and to purchase student housing properties. The bill also authorizes Dickinson State University to issue \$9.6 million of revenue bonds for the renovation project and to purchase the student housing properties.

House Bill No. 1151 - Higher education challenge grants - Continues the higher education challenge grant program into the 2015-17 biennium and appropriates \$21 million from the general fund and \$2.5 million from the student loan trust fund for grants.

House Concurrent Resolution No. 3046 - Study of higher education governance - Provides for a Legislative Management study of public higher education including governance of the University System.

Senate Bill Nos. 2074 and 2075 - Academic and career and technical education scholarships - Provides for various adjustments to the eligibility criteria to receive an academic or career and technical education scholarship.

Senate Bill No. 2150 - Student rights at disciplinary proceedings - Allows students to be represented by an attorney or other advocate at certain disciplinary hearings.