

Department 229 - Williston State College
 House Bill No. 1003

Executive Budget Comparison to Prior Biennium Appropriations

| | FTE Positions | General Fund | Other Funds | Total |
|---|---------------|----------------|---------------|----------------|
| 2015-17 Executive Budget | 49.96 | \$15,679,852 | \$0 | \$15,679,852 |
| 2013-15 Legislative Appropriations ^{1,2} | 44.15 | 26,321,661 | 2,500,000 | 28,821,661 |
| Increase (Decrease) | 5.81 | (\$10,641,809) | (\$2,500,000) | (\$13,141,809) |

¹The number of FTE positions for the 2013-15 biennium does not reflect an adjustment of 5.81 positions, from 44.15 to 49.96, 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 for institutions and entities under its control.

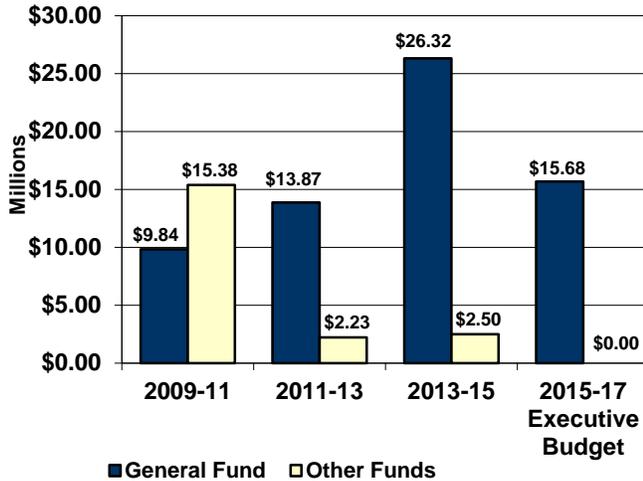
²The 2013-15 appropriation amounts do not include the following general fund allocations to the institution from one-time funding pools and one-time program funding appropriated to the North Dakota University System office:

- Deferred maintenance funding pool allocations of \$271,181.
- Capital projects contingency funding pool allocations of \$607,551.
- Grants received from the higher education challenge fund.

Ongoing and One-Time General Fund Appropriations

| | Ongoing General Fund Appropriation | One-Time General Fund Appropriation | Total General Fund Appropriation |
|------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| 2015-17 Executive Budget | \$14,528,602 | \$1,151,250 | \$15,679,852 |
| 2013-15 Legislative Appropriations | 12,981,307 | 13,340,354 | 26,321,661 |
| Increase (Decrease) | \$1,547,295 | (\$12,189,104) | (\$10,641,809) |

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

| | General Fund | Other Funds | Total |
|--------------------------|--------------|-------------|--------------|
| 2015-17 Executive Budget | \$15,679,852 | \$0 | \$15,679,852 |
| 2015-17 Base Level | 12,981,307 | 0 | 12,981,307 |
| Increase (Decrease) | \$2,698,545 | \$0 | \$2,698,545 |

**Executive Budget Highlights
 (With First House Changes in Bold)**

| | General Fund | Other Funds | Total |
|--|--------------|-------------|----------|
| 1. Provides funding increases through the higher education funding formula for the following components: | | | |
| • Formula adjustment to reflect an increase in completed student credit-hours | \$56,601 | \$0 | \$56,601 |
| • Inflation adjustment for salary, benefit, and utility increases. | 988,279 | 0 | 988,279 |

| | | | |
|--|-------------|-----|-------------|
| Total | \$1,044,880 | \$0 | \$1,044,880 |
| The House adjusted the higher education funding formula and provided funding to campuses based on the adjustments. | | | |
| 2. Adds funding to freeze tuition at two-year institutions during the 2015-17 biennium. The House did not provide funding to freeze tuition. | \$323,934 | \$0 | \$323,934 |
| 3. Removes funding for internal audit assessments paid to the University System office. (Funding is added to the University System office for internal audit functions.) The House added funding to the State Auditor's office to conduct higher education audits. | (\$9,879) | \$0 | (\$9,879) |
| 4. Transfers funding for predictive analytics and document imaging to the University System office | (\$6,597) | \$0 | (\$6,597) |
| 5. Increases funding for base extraordinary repairs to provide total funding of \$392,758. The House did not add the increased funding for extraordinary repairs and transferred existing base funding for extraordinary repairs to the University System office for an extraordinary repairs funding pool to be distributed to institutions. | \$194,957 | \$0 | \$194,957 |
| 6. Adds one-time funding to pay off outstanding special assessments | \$285,000 | \$0 | \$285,000 |
| 7. Adds one-time funding for campus security projects. The House did not add one-time funding for specific campus security projects. The House added a one-time funding pool of \$3 million to the University System office to be distributed to the campuses based on campus security and risk assessments. | \$866,250 | \$0 | \$866,250 |

Other Sections in Bill

Campus building projects - Section 6 amends North Dakota Century Code Section 15-10-12.1 to require legislative authorization to construct, purchase, receive, or renovate a building if the building or project cost exceeds \$385,000.

Capital project requests - Maintenance reserve account - Section 8 creates a new section to Chapter 15-10 to require every new building project funding request exceeding \$5 million to include a funding request for future maintenance costs equal to 3 percent of the project cost.

Required use of electronic mail, file server administration, database administration, application server, and hosting services - Section 9 creates a new section to Chapter 15-10 to require 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.

Carryover authority - Section 25 continues the authorization through July 31, 2017, for institutions under the control of the State Board of Higher Education to carry over unexpended appropriations at the end of a biennium.

Systemwide funding pools - Transfer authority - Section 27 provides for transfer authority from the University System office funding pools to institutions and entities under the control of the State Board of Higher Education for deferred maintenance and extraordinary repairs.

Federal, private, and other funds - Appropriation - Section 33 appropriates all funds from federal, private, and other sources for competitive grants or other funds the Legislative Assembly has not indicated the intent to reject, received by the institutions and entities under the control of the State Board of Higher Education.

Transfer authority - Section 34 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.

Emergency - Section 44 identifies Sections 10, 27, 35, and 36 and the capital assets, extraordinary repairs pool, campus security pool, and deferred maintenance pool line items in Section 1 to be an emergency measure.

Extraordinary campus needs funding - Section 41 identifies \$2.5 million of the funding in the Williston State College operations line item as funding for extraordinary campus needs. Williston State College shall provide a report to the appropriations committees of the 65th Legislative Assembly regarding the use of the funding.

Continuing Appropriations

Special revenue funds - Section 33 appropriates federal, private, and local funds received by institutions, including tuition revenue, during the 2015-17 biennium.

Deficiency Appropriation

The executive budget recommendation includes a deficiency appropriation of \$50,000 from the general fund to repair the roof of the boiler building.

Significant Audit Findings

The State Auditor's office identified Williston State College:

- Has weak controls in place surrounding fixed assets;
- Has weak controls in place surrounding the processing of payroll;
- Lacked controls in certain areas relating to cash and revenue;
- Has weak controls in place surrounding expenditures;
- Has weak controls in place surrounding purchase card expenditures;
- Has inadequate controls surrounding tuition and fee waivers;
- Has inadequate controls over noncash adjustments to student accounts; and
- Has inadequate controls surrounding enrollment reporting.

Major Related Legislation

House Bill No. 1051 - This bill provides an appropriation of \$350,000 to the State Board of Higher Education and requires institutions under the control of the board to retain electronic mail messages for at least five years.

House Bill No. 1151 - This bill provides an appropriation of \$19 million to the State Board of Higher Education to provide matching grants for the advancement of academics at institutions of higher education under the control of the board.