

**University of North Dakota
Budget No. 230
House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriations	630.20	\$240,445,904	\$6,000,000	\$246,445,904
2015-17 base budget	633.60	154,094,571	0	154,094,571
Legislative increase (decrease) to base budget	(3.40)	\$86,351,333	\$6,000,000	\$92,351,333

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 legislative appropriations	\$171,685,904	\$68,760,000	\$240,445,904
2013-15 legislative appropriations ¹	154,094,571	72,790,000	226,884,571
2015-17 legislative increase (decrease) to 2013-15 appropriations	\$17,591,333	(\$4,030,000)	\$13,561,333
Percentage increase (decrease) to 2013-15 appropriations	11.4%	(5.5%)	6.0%

¹The 2013-15 biennium legislative appropriations have been adjusted to reflect a transfer of \$3,671,762 to the University of North Dakota (UND) School of Medicine and Health Sciences for operations funding as provided in Section 33 of 2013 Senate Bill No. 2003.

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

Salaries and Wages

The Legislative Assembly provided higher education funding formula and base credit rate adjustments to institutions that are to be used to provide salary increases and health insurance increases during the 2015-17 biennium.

	Changes to Base Budget			Total
	FTE Positions	General Fund	Other Funds	
The legislative action:				
Provided for higher education funding formula adjustments.		\$12,628,220		\$12,628,220
Provided for base credit rate adjustments. Section 30 of House Bill No. 1003 requires the State Board of Higher Education to transfer a minimum of 25 percent of base credit rate adjustment funding for inflation to the UND School of Medicine and Health Sciences.		4,963,113		4,963,113
Added one-time funding for repairs to the North Dakota Museum of Art building.		760,000		760,000

Added one-time funding for Phase II of the UND School of Medicine and Health Sciences facility project.		62,000,000		62,000,000
Added one-time funding for the airport apron project.		6,000,000		6,000,000
Added one-time funding from local and other funds for student engagement and success capital projects.			\$6,000,000	6,000,000
Adjusted FTE positions pursuant to Section 36 of 2013 Senate Bill No. 2003.	(3.40)			
Total	(3.40)	\$86,351,333	\$6,000,000	\$92,351,333

FTE Changes

The Legislative Assembly authorized 630.20 FTE positions for UND for the 2015-17 biennium, a decrease of 3.40 FTE positions from the number authorized by the 2013 Legislative Assembly. The 3.40 FTE positions were removed pursuant to Section 36 of 2013 Senate Bill No. 2003, which authorized the State Board of Higher Education to adjust FTE positions at institutions under its control. Section 36 of 2015 House Bill No. 1003 continues the authorization of the board to adjust positions at institutions under its control during the 2015-17 biennium.

One-Time Funding

In Section 2 of House Bill No. 1003, the Legislative Assembly identified \$137,115,518 of funding from the general fund as one-time funding for the North Dakota University System. Of this amount, \$68.76 million is for one-time funding items at UND as follows:

	General Fund
UND School of Medicine and Health Sciences facility - Phase II	\$62,000,000
Airport apron project	6,000,000
North Dakota Museum of Art building repairs	760,000
Total	\$68,760,000

These amounts are not to be considered part of the institution's base budget for the 2015-17 biennium, and the institution is to report to the Appropriations Committees of the 65th Legislative Assembly on the use of this funding.

Other Income Appropriation

Section 31 of House Bill No. 1003 appropriates on a continuing basis all other funds, including tuition income, received by the institutions of higher education during the 2015-17 biennium. As a result, the legislative appropriations for higher education do not include a specific appropriation of other funds, except for capital projects.

Capital Projects

The following is a summary of capital projects authorized by the Legislative Assembly for UND during the 2015-17 biennium:

	General Fund	Other Funds	Total
UND School of Medicine and Health Sciences facility - Phase II	\$62,000,000		\$62,000,000
Airport apron project	6,000,000		6,000,000
Student engagement projects		\$6,000,000	6,000,000
Total	\$68,000,000	\$6,000,000	\$74,000,000

Deferred Maintenance Initiative

The Legislative Assembly appropriated \$8.7 million from the general fund to the University System office for a deferred maintenance funding pool. Of this amount, the State Board of Higher Education may transfer up to \$3.5 million to UND for deferred maintenance projects.

Other Sections in Bill

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

Bismarck Family Practice Center skywalk project - Section 34 cancels the 2013-15 biennium general fund appropriation of \$750,000 for the UND School of Medicine and Health Sciences Bismarck Family Practice Center skywalk project.

FTE position adjustments - Section 36 provides that the State Board of Higher Education may adjust FTE positions as needed, subject to the availability of funds, for institutions and entities under its control during the 2015-17 biennium.

Extraordinary repairs funding - Matching funds - Section 38 requires an institution to provide \$2 of matching funds from operations or other sources for each dollar of base extraordinary repairs funding used.

Tuition rate increase limitations - Section 39 limits tuition rate increases to 2.5 percent per year during the 2015-17 biennium at University System institutions unless an institution receives Budget Section approval. However, the section provides that the tuition rate increase limits do not apply to programs at the UND School of Medicine and Health Sciences.