**2023 HOUSE APPROPRIATIONS**

**HB 1003**

# Department 215 - North Dakota University System Office
# House Bill No. 1003

## Executive Budget Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 Executive Budget | $137,543,592 | $85,305,435 | $222,849,027 |
| 2023-25 Base Level | 116,898,476 | 25,757,035 | 142,655,511 |
| Increase (Decrease) | $20,645,116 | $59,548,400 | $80,193,516 |

## Selected Budget Changes Recommended in the Executive Budget

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 1. Provides funding for employee salary and benefit increases, of which $2,664,574 is for salary increases and $738,884 is for health insurance increases | $2,437,256 | $966,202 | $3,403,458 |
| 2. Increases funding for the veterans' assistance program to provide a total of $454,875 | $177,000 | $0 | $177,000 |
| 3. Increases funding for academic and career and technical education (CTE) scholarships, to provide a total of $17,216,749 | $1,000,000 | $0 | $1,000,000 |
| 4. Increases funding for Native American scholarships to provide a total of $1 million | $444,677 | $0 | $444,677 |
| 5. Removes funding from the Bank of North Dakota for dual-credit tuition scholarships | $0 | ($1,500,000) | ($1,500,000) |
| 6. Decreases funding for capital bond payments | ($2,187,368) | $0 | ($2,187,368) |
| 7. Adds funding for software costs and an information technology security operations center | $2,500,000 | $0 | $2,500,000 |
| 8. Adds **one-time funding** from the legacy earnings fund for higher education challenge matching grants | $0 | $50,000,000 | $50,000,000 |
| 9. Adds **one-time funding** from the legacy earnings fund for energy workforce education scholarships | $0 | $10,000,000 | $10,000,000 |
| 10. Adds **one-time funding** from the general fund for workforce education innovation grants | $10,000,000 | $0 | $10,000,000 |
| 11. Adds **one-time funding** from the general fund for the behavioral health initiative | $3,640,624 | $0 | $3,640,624 |

A summary of the executive budget changes to the agency's base level appropriations is attached as an appendix.

A copy of the draft appropriations bill containing the executive budget recommendations is attached as an appendix.

## Selected Bill Sections Recommended in the Executive Budget

**Higher education challenge grants** - Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the University of North Dakota (UND) School of Law.

**Higher education funding formula** - Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula.

**Carryover authority** - Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium.

**Additional funds appropriation authority** - Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities.

**Project management oversight** - Section 10 would require 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.

**UND School of Medicine and Health Sciences funding** - Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education.

**Transfer authority** - Section 12 would provide 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 assets.

**FTE positions** - Section 13 would authorize 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.

**Extraordinary repairs matching funds** - Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding.

**Capital building fund program** - Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from the strategic investment and improvements fund (SIIF) to the University System capital building fund and the authorization to use money in the fund for new capital projects.

**Capital projects carryover** - Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects.

**Legacy earnings fund** - Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund.

**Strategic investment and improvements fund** - Section 20 would identify $9,624,100 for capital projects, including $480,000 for the Lake Region State College (LRSC) wind turbine replacement, $900,000 for the Dickinson State University (DSU) agriculture and technical education building, $3,779,100 for the Mayville State University (MaSU) Old Main renovation, $765,000 for the Minot State University (MiSU) Dakota Hall demolition, and $3.7 million for the Dakota College at Bottineau (DCB) Old Main renovation, is from SIIF.

## Deficiency Appropriations

**Bank fraud** - The executive budget recommends, in Senate Bill No. 2025, a deficiency appropriation of $430,101 from the general fund to UND for the reimbursement of payments relating to the Nistler College of Business capital project that were made to a fraudulent bank account.

**College ready English and math** - The executive budget recommends, in Senate Bill No. 2025, a deficiency appropriation of $99,768 from the general fund to DCB for expenses related to the college ready English and math program. The Dakota College at Bottineau was to have been reimbursed for these expenses by the Department of Public Instruction (DPI) during the 2019-21 biennium.

## Significant Audit Findings

The State Auditor's office reported the University System office did not report to the appropriations committees of the 67th Legislative Assembly on its use of $5.5 million in appropriations that were continued from the 2017-19 biennium to the 2019-21 biennium.

## Major Related Legislation

**House Bill No. 1013** - **Permanent funds distributions** - Provides distributions to University System institutions from permanent funds established for the benefit of the institutions. The following is a comparison of distributions from permanent funds during the 2021-23 biennium and the 2023-25 executive budget recommendation:

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1030** - Provides for student financial aid program technical corrections.

**House Bill No. 1031** - Provides increased appropriations for student financial assistance grants and the academic and CTE scholarship programs.

**House Bill No. 1032** - Appropriates $1 million from the general fund for a new student financial aid program targeting residents enrolled in certain certificate courses.

**House Bill No. 1033** - Appropriates $24 million from the general fund to continue the higher education challenge grant program.

**House Bill No. 1034** - Transfers $29 million from SIIF to the University System capital building fund to continue the higher education capital building fund program.

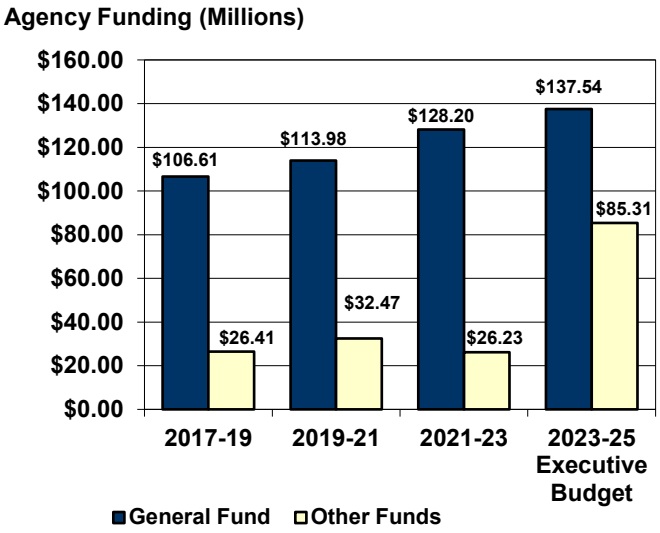
**Senate Bill No. 2025** - Provides a deficiency appropriation to UND for reimbursement related to bank fraud and to DCB for reimbursement from DPI related to the college ready English and math program.

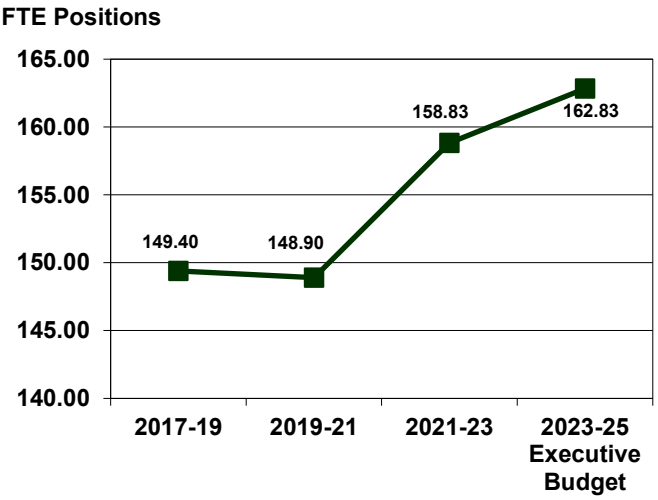
**Senate Bill No. 2032** - Appropriates $3 million from the general fund to DPI to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

**Senate Bill No. 2033** - Appropriates $3 million from the general fund to DPI to reinstate the teacher shortage loan repayment program.

# Historical Appropriations Information

## Agency Appropriations and FTE Positions




## Ongoing General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| Ongoing general fund appropriations | $110,229,818 | $101,639,530 | $102,327,097 | $116,898,476 | $121,898,614 |
| Increase (decrease) from previous biennium | N/A | ($8,590,288) | $687,567 | $14,571,379 | $5,000,138 |
| Percentage increase (decrease) from previous biennium | N/A | (7.8%) | 0.7% | 14.2% | 4.3% |
| Cumulative percentage increase (decrease) from 2015-17 biennium | N/A | (7.8%) | (7.2%) | 6.0% | 10.6% |

## Major Increases (Decreases) in Ongoing General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Underfunded salaries and wages | ($578,097) |
| 2. Adjusted funding for Core Technology Services, including the removal of 1 FTE position | ($2,604,292) |
| 3. Reduced funding for student financial assistance grants | ($1,968,854) |
| 4. Reduced funding for academic and CTE scholarships | ($1,117,347) |
| 5. Reduced funding for competitive research grants | ($560,475) |
| 6. Eliminated funding for 2-year campus marketing | ($747,600) |

**2019-21 Biennium**

| | |
|---|---|
| 1. Increased funding for student financial assistance grants | $2,000,000 |
| 2. Increased funding for tribal college grants to provide a total of $1 million from the general fund | $900,000 |
| 3. Removed funding for the science, technology, engineering, and mathematics (STEM) loan forgiveness program | ($500,000) |
| 4. Transferred the teacher shortage loan forgiveness program to DPI | ($2,103,393) |
| 5. Reduced funding for capital bond payments | ($1,645,878) |

**2021-23 Biennium**

| | |
|---|---|
| 1. Increased funding for academic and CTE scholarships | $4,200,000 |
| 2. Added funding for the nursing education consortium | $1,356,000 |
| 3. Increased funding for capital bond payments | $8,425,816 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Adds funding for software costs and an information technology security operations center | $2,500,000 |
| 2. Increases funding for academic and CTE scholarships | $1,000,000 |
| 3. Increases funding for the Native American scholarship program | $444,677 |
| 4. Reduces funding for capital bond payments | ($2,187,368) |

## One-Time General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| One-time general fund appropriations | $31,467,497 | $4,970,000 | $11,650,000 | $11,300,000 | $15,644,978 |

## Major One-Time General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Provided funding for the higher education challenge fund | $2,000,000 |
| 2. Provided funding for campus workforce initiatives | $2,700,000 |

**2019-21 Biennium**

| | |
|---|---|
| 1. Provided funding for the higher education challenge fund | $9,650,000 |
| 2. Provided funding for the capital building fund program | $2,000,000 |

**2021-23 Biennium**

| | |
|---|---|
| 1. Provided funding for the higher education challenge fund | $11,150,000 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Provides funding for the behavioral health initiative | $3,640,624 |
| 2. Provides funding for a new financial aid system | $1,554,354 |
| 3. Provides funding for the Dakota Digital Academy | $450,000 |
| 4. Provides funding for workforce education innovation grants | $10,000,000 |

# North Dakota University System Office - Budget No. 215
# House Bill No. 1003
# Base Level Funding Changes

| | Executive Budget Recommendation | | | |
|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 |
| **2023-25 Ongoing Funding Changes** | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 |
| Health insurance increase | | 496,486 | 242,398 | 738,884 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 |
| Adds funding for the general fund Capitol rent model | | 143,625 | | 143,625 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) |
| Total ongoing funding changes | 4.00 | $5,000,138 | ($451,600) | $4,548,538 |
| **One-time funding items** | | | | |
| Adds funding from the legacy earnings fund for the higher education challenge grant program | | | $50,000,000 | $50,000,000 |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 |
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 |
| **Total Changes to Base Level Funding** | 4.00 | $20,645,116 | $59,548,400 | $80,193,516 |
| **2023-25 Total Funding** | 162.83 | $137,543,592 | $85,305,435 | $222,849,027 |
| *Federal funds included in other funds* | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(1.8%)* | *3.2%* |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *231.2%* | *56.2%* |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation |
|---|---|
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. |
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| Project management oversight | Section 10 would require 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. |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. |
| Transfer authority | Section 12 would provide 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 assets. |
| FTE positions | Section 13 would authorize 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. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects. |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including $480,000 for the LRSC wind turbine replacement, $900,000 for the DSU agriculture and technical education building, $3,779,100 for the MaSU Old Main renovation, $765,000 for the MiSU Dakota Hall demolition, and $3.7 million for the DCB Old Main renovation, is from SIIF. |

Sixty-eighth
Legislative Assembly
of North Dakota

**HOUSE BILL NO. 1003**
**(Governor's Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the North Dakota university system; to amend and reenact sections 15-10-48, 15-10-49, 15-18.2-05, and 54-44.1-11 of the North Dakota Century Code, relating to matching grants for institutions under the control of the state board of higher education, state aid to institutions, and the cancellation of unexpended appropriations; to repeal section 15-10-48.1 of North Dakota Century Code relating to matching grants; to provide for transfer of funds; and to provide exemptions.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income to the North Dakota university system office and to the various entities and institutions under the supervision of the state board of higher education for the purpose of defraying the expenses of the North Dakota university system office and to the various entities for the biennium beginning July 1, 2023 and ending June 30, 2025, as follows:

Subdivision 1.
NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital Assets | $13,385,264 | ($2,187,368) | $ 11,197,896 |
| Student Financial Assistance | 23,917,306 | 0 | 23,917,306 |
| Veterans Assistance Grants | 277,875 | 177,000 | 454,875 |
| Scholars Program | 1,807,115 | 0 | 1,807,115 |
| Nursing Education | 1,356,000 | 0 | 1,356,000 |
| Native American | 555,323 | 444,677 | 1,000,000 |
| Core Technology Services | 62,962,817 | 5,442,344 | 68,405,161 |
| Education Challenge Fund | 0 | 50,000,000 | 50,000,000 |
| Education Incentive | 260,000 | 0 | 260,000 |
| Tribal Community College | 1,000,000 | 0 | 1,000,000 |
| Academic and Tech Ed | 16,216,749 | 1,000,000 | 17,216,749 |
| Student Exchange Program | 3,699,342 | 0 | 3,699,342 |
| NASA Epscor | 342,000 | 0 | 342,000 |
| Student Mental Health | 284,400 | 0 | 284,400 |
| Competitive Research | 5,685,750 | 0 | 5,685,750 |
| System Governance | 8,605,570 | 3,176,239 | 11,781,809 |
| Shared Campus Services | 800,000 | 0 | 800,000 |
| Workforce Education | 0 | 10,000,000 | 10,000,000 |
| Education for Energy | 0 | 10,000,000 | 10,000,000 |
| Behavioral Health Initiative | 0 | 3,640,624 | 3,640,624 |
| Total All Funds | $141,155,511 | $81,693,516 | $222,849,027 |
| Less Estimated Income | 24,257,035 | 61,048,400 | 85,305,435 |
| Total General Fund | $116,898,476 | $20,645,116 | $137,543,592 |
| Full-Time Equivalent | 158.83 | 4.00 | 162.83 |

Subdivision 2.
BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $4,880,320 | $105,451,707 |
| Capital Assets | 1,922,561 | 76,757 | 1,999,318 |
| Total All Funds | $102,493,948 | $4,957,077 | $107,451,025 |
| Less Estimated Income | 70,409,893 | 3,429,847 | 73,839,740 |
| Total General Fund | $32,084,055 | $1,527,230 | $33,611,285 |
| Full-Time Equivalent | 332.90 | 2.43 | 335.33 |

Subdivision 3.
LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $1,837,455 | $40,988,368 |
| Capital Assets | 362,667 | 392,700 | 755,367 |
| Total All Funds | $39,513,580 | $2,230,155 | $41,743,735 |
| Less Estimated Income | 25,271,428 | 1,857,238 | 27,128,666 |
| Total General Fund | $14,242,152 | $372,917 | $14,615,069 |
| Full-Time Equivalent | 115.76 | 4.83 | 120.59 |

Subdivision 4.
WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $998,637 | $35,042,941 |
| Capital Assets | 1,261,968 | 1,059,369 | 2,321,337 |
| Total All Funds | $35,306,272 | $2,058,006 | $37,364,278 |
| Less Estimated Income | 24,019,535 | 1,097,518 | 25,117,053 |
| Total General Fund | $11,286,737 | $960,488 | $12,247,225 |
| Full-Time Equivalent | 101.29 | 1.54 | 102.83 |

Subdivision 5.
UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,331 | $38,940,459 | $941,113,790 |
| Capital Assets | 4,411,566 | 3,823,875 | 8,235,441 |
| Capital Assets – Off System | 0 | $33,000,000 | $33,000,000 |
| Total All Funds | $906,584,897 | $75,764,334 | $982,349,231 |
| Less Estimated Income | 755,657,771 | 67,305,044 | 822,962,814 |
| Total General Fund | $150,927,126 | $8,459,291 | $159,386,417 |
| Full-Time Equivalent | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.
NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $23,149,118 | $779,198,439 |
| Capital Assets | 7,799,104 | 8,639,564 | 16,438,668 |
| Capital Assets – Off System | 0 | 23,000,000 | 23,000,000 |
| Total All Funds | $763,848,425 | $54,788,682 | $818,637,107 |
| Less Estimated Income | 625,417,100 | 51,108,632 | 676,525,732 |
| Total General Fund | $138,431,325 | $3,680,050 | $142,111,375 |
| Full-Time Equivalent | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.
NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $3,495,568 | $99,043,033 |
| Capital Assets | 1,012,379 | 0 | 1,012,379 |
| Total All Funds | $96,559,844 | $3,495,568 | $100,055,412 |
| Less Estimated Income | 60,845,052 | 2,639,555 | 63,484,607 |
| Total General Fund | $35,714,792 | $856,013 | $36,570,805 |
| Full-Time Equivalent | 311.61 | 2.34 | 313.95 |

Subdivision 8.
DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $4,139,569 | $54,965,629 |
| Capital Assets | 409,078 | 900,000 | 1,309,078 |
| Total All Funds | $51,235,138 | $5,039,569 | $56,274,707 |
| Less Estimated Income | 30,992,408 | 2,585,626 | 33,578,034 |
| Total General Fund | $20,242,730 | $2,453,943 | $22,696,673 |
| Full-Time Equivalent | 175.50 | 2.50 | 178.00 |

Subdivision 9.
MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $4,061,362 | $54,664,638 |
| Capital Assets | 358,992 | 3,779,100 | 4,138,092 |
| Total All Funds | $50,962,268 | $7,840,462 | $58,802,730 |
| Less Estimated Income | 32,282,440 | 5,828,800 | 38,111,240 |
| Total General Fund | $18,679,828 | $2,011,662 | $20,691,490 |
| Full-Time Equivalent | 230.35 | (3.43) | 226.92 |

Subdivision 10.
MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $7,624,616 | $111,779,393 |
| Capital Assets | 1,099,620 | $1,721,140 | 2,820,760 |
| Total All Funds | $105,254,397 | $9,345,756 | $114,600,153 |
| Less Estimated Income | 64,047,767 | 5,088,594 | 69,136,361 |
| Total General Fund | $41,206,630 | $4,257,162 | $45,463,792 |
| Full-Time Equivalent | 403.04 | 20.59 | 423.63 |

Subdivision 11.
VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | 3,795,849 | $53,879,249 |
| Capital Assets | 455,823 | 57,540 | 513,363 |
| Capital Assets – Off System | 0 | 22,000,000 | 22,000,000 |
| Total All Funds | $50,539,223 | $25,853,389 | $76,392,612 |
| Less Estimated Income | 26,377,846 | 23,684,505 | 50,062,351 |
| Total General Fund | $24,161,377 | $2,168,884 | $26,330,261 |
| Full-Time Equivalent | 202.77 | 9.17 | 211.94 |

Subdivision 12.
DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $1,281,894 | $24,921,949 |
| Capital Assets | 114,007 | 4,199,700 | 4,313,707 |
| Total All Funds | $23,754,062 | $5,481,594 | $29,235,656 |
| Less Estimated Income | 14,216,200 | 4,334,830 | 18,551,030 |
| Total General Fund | $9,537,862 | $1,146,764 | $10,684,626 |
| Full-Time Equivalent | 91.86 | (7.86) | 84.00 |

Subdivision 13.
UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,057 | $13,591,275 | $231,844,332 |
| Healthcare Workforce | 10,676,150 | 0 | 10,676,150 |
| Total All Funds | $228,929,207 | $13,591,275 | $242,520,482 |
| Less Estimated Income | 160,806,249 | 7,108,370 | 167,914,619 |
| Total General Fund | $68,122,958 | $6,482,905 | $74,605,863 |
| Full-Time Equivalent | 492.67 | (3.84) | 488.83 |

Subdivision 14.
NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,318,100 | $24,661,165 |
| Capital Assets | 118,728 | 0 | 118,728 |
| Total All Funds | $15,461,793 | $9,318,100 | $24,779,893 |
| Less Estimated Income | 10,669,315 | 8,471,957 | 19,141,272 |
| Total General Fund | $4,792,478 | $846,143 | $5,638,621 |
| Full-Time Equivalent | 28.00 | 1.00 | 29.00 |

Subdivision 15.
BILL TOTAL

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand Total General Fund | $686,328,526 | $55,868,568 | $742,197,094 |
| Grand Total Special Funds | 1,925,270,039 | 245,588,916 | 2,170,858,955 |
| Grand Total All Funds | $2,611,598,565 | $301,457,484 | $2,913,056,049 |

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the 2023-25 one-time funding items included in the appropriation in section 1 of this Act:

| One-Time Funding Description | 2021-23 | 2023-25 |
|---|---|---|
| Capital Projects – Other Funds | $64,963,000 | $87,744,100 |
| North Dakota State University Settlement Agreement | 125,000 | 0 |
| Math Pathways | 150,000 | 0 |
| Education Challenge Grants | 11,150,000 | 50,000,000 |
| UND Space Command Initiative | 4,000,000 | 0 |
| Tuition Scholarship Program | 1,500,000 | 0 |
| Behavioral Health Initiative | 0 | 3,640,624 |
| Financial Aid System | 0 | 1,554,354 |
| Dakota Digital Academy | 0 | 450,000 |
| Workforce Education Innovation Grant | 0 | 10,000,000 |
| Education Scholarships for Energy Workforce | 0 | 10,000,000 |
| Total All Funds | $81,888,000 | $163,389,078 |

| | | |
|---|---|---|
| Total Other Funds | 64,863,000 | 147,744,100 |
| Total General Fund | $17,025,000 | $15,644,978 |

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The North Dakota university system shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 3. AMENDMENT.** Section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-48. Advancement of academics - Matching grants - University of North Dakota and North Dakota state university.**

1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of the university of North Dakota and North Dakota state university for projects dedicated exclusively to the advancement of academics.
   b. To be eligible for a matching grant, an institution must demonstrate that:
      (1) Its foundation has raised at least fifty thousand dollars in cash or monetary pledges for a qualifying project; and
      (2) The project has been approved by the grant review committee established in section 15-10-51.
      (3) The institution is not sponsoring, partnering with, applying for grants with, or providing a grant subaward to any person or organization that performs, or promotes the performance of, an abortion unless the abortion is necessary to prevent the death of the woman, and not participating in or sponsoring any program producing, distributing, publishing, disseminating, endorsing, or approving materials of any type or from any organization, that between normal childbirth and abortion, do not give preference, encouragement, and support to normal childbirth. This paragraph does not apply to agreements entered into with medical hospitals and clinics by the university of North Dakota school of medicine and health sciences or by any nursing education program at an institution under the control of the state board of higher education.
   c. The board may award ~~up to one million seven hundred thousand dollars in~~ matching grants ~~each to the university of North Dakota and North Dakota state university; and up to one million five hundred thousand dollars in matching grants for projects at the university of North Dakota school of medicine and health sciences.~~to each institution based on total completed credit-hours, as determined under section 15-18.2-01, and as set forth in this section. The matching grant funding is allocated as follows:
      (1) Thirty percent of available funds for the institutions with less than 100,000 completed credit hours;
      (2) Thirty percent of available funds for institutions with 100,000 to 599,999 completed credit hours; and
      (3) Forty percent of available funds for institutions with more than 599,999 completed credit hours.
2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, either the university of North Dakota or North Dakota state university may apply for an additional matching grant.
   b. An application submitted under this subsection must meet the same criteria as an original application.
   c. The board shall consider each application submitted under this subsection in chronological order.
   d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

**SECTION 4. REPEAL.** Section 15-10-48.1 of the North Dakota Century Code is repealed.

**SECTION 5. AMENDMENT**. Section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-49. Advancement of academics - Matching grants - Two-year and four-year institutions of higher education.**

1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of Bismarck state college, Dakota college at Bottineau, Dickinson state university, Lake Region state college, Mayville state university, Minot state university, North Dakota state college of science, Valley City state university, and Williston state college for projects dedicated exclusively to the advancement of academics.
   b. To be eligible for a matching grant, an institution must demonstrate that:
      (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and
      (2) The project has been approved by the grant review committee established in section 15-10-51.
      (3) The institution is not sponsoring, partnering with, applying for grants with, or providing a grant subaward to any person or organization that performs, or promotes the performance of, an abortion unless the abortion is necessary to prevent the death of the woman, and not participating in or sponsoring any program producing, distributing, publishing, disseminating, endorsing, or approving materials of any type or from any organization, that between normal childbirth and abortion, do not give preference, encouragement, and support to normal childbirth. This paragraph does not apply to agreements entered into with medical hospitals and clinics by the university of North Dakota school of medicine and health sciences or by any nursing education program at an institution under the control of the state board of higher education.
   c. The board may award ~~up to~~:
      (1) ~~Nine hundred fifty thousand dollars each to Bismarck state college, Minot state university and the North Dakota state college of science~~ Thirty percent of available funds for the institutions with less than 100,000 completed credit hours;
      (2) ~~Seven hundred thousand dollars each to Dickinson state university, Mayville state university, and Valley City state university~~ Thirty percent of available funds for institutions with 100,000 to 599,999 completed credit hours; and
      (3) ~~Three hundred fifty thousand dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college~~ Forty percent of available funds for institutions with more than 599,999 completed credit hours.
2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.
   b. An application submitted under this subsection must meet the same criteria as an original application.
   c. The board shall consider each application submitted under this subsection in chronological order.
   d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

**SECTION 6. AMENDMENT**. Section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

**15-18.2-05. Base funding - Determination of state aid.**

In order to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.1-04 by a base amount of:

1. ~~$61.81~~$66.16 in the case of North Dakota state university and the university of North Dakota;
2. ~~$92.60~~$98.94 in the case of Dickinson state university~~,~~ Mayville state university, Minot state university, and Valley City state university;

3. ~~$98.84~~$105.96 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, and North Dakota state college of science; and Williston state college.

**SECTION 7. AMENDMENT.** Section 15-18.2-06 of the North Dakota Century Code is amended and reenacted as follows:

**15-18.2-06. (Effective through June 30, 2025) Base funding - Minimum amount payable.**

Notwithstanding any calculations required by this chapter, during each biennium, an institution may not receive less than ninety-six percent of the state aid to which the institution was entitled under this chapter during the previous biennium.

**SECTION 8. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2023~~2025)**

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, ~~2023~~2025)** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**SECTION 9. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION.** All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2023 and ending June 30, 2025. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2023 and ending June 30, 2025, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

**SECTION 10. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the biennium beginning July 1, 2023 and ending June 30, 2025, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

**SECTION 11. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES OPERATIONS.** The operations line item in subdivision 5 of section 1 of this Act includes a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2023 and ending June 30, 2025. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

**SECTION 12. TRANSFER AUTHORITY.** If, during the biennium beginning July 1, 2023 and ending June 30, 2025, the state board of higher education determines that funds allocated to operations in section 1 of this Act are needed for capital assets, the board may transfer funds from operations to capital assets. The board shall report any transfer of funds under this section to the office of management and budget.

**SECTION 13. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control during the biennium beginning July 1, 2023 and ending June 30, 2025. The North Dakota university system shall report any adjustments to the office of management and budget before the submission of the 2025-27 biennium budget request.

**SECTION 14. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.** The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

**SECTION 15. TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget shall transfer $19,000,000 from the strategic investment and improvements fund to the university system capital building during the period beginning July 1, 2023 and ending June 30, 2025, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

| | Tier II | Tier III | Total |
|---|---|---|---|
| Bismarck State College | $425,693 | $500,000 | $925,693 |
| Lake Region State College | 177,375 | 500,000 | 677,375 |
| Williston State College | 137,947 | 500,000 | 637,947 |
| University of North Dakota | 4,361,801 | 2,250,000 | 6,611,801 |
| North Dakota State University | 2,899,596 | 2,250,000 | 5,149,596 |
| North Dakota State College of Science | 500,695 | 500,000 | 1,000,695 |
| Dickinson State University | 268,862 | 500,000 | 768,862 |

| | | | |
|---|---|---|---|
| Mayville State University | 240,029 | 500,000 | 740,029 |
| Minot State University | 572,801 | 500,000 | 1,072,801 |
| Valley City State University | 309,137 | 500,000 | 809,137 |
| Dakota College at Bottineau | 106,064 | 500,000 | 606,064 |
| Total | $10,000,000 | $9,000,000 | $19,000,000 |

**SECTION 16. CAPITAL BUILDING FUNDS - USES**. The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-eighth legislative assembly:

| | |
|---|---|
| Lake Region State College – Wind Turbine Replacement | $600,000 |
| University of North Dakota – EERC Advanced Materials Processing Facility | 33,000,000 |
| North Dakota State University – Music Building Addition/Renovation | 20,000,000 |
| North Dakota State University – Sudro Hall Expansion and Renovation | 3,000,000 |
| Dickinson State U0niversity – Ag and Tech Building | 900,000 |
| Mayville State University – Old Main Renovation Planning and Design | 3,997,100 |
| Minot State University – Dakota Hall Demolition | 765,000 |
| Valley City State University – Osmon Field House Athletic Addition | 20,000,000 |
| Valley City State University – Student Center Renovation | 2,000,000 |
| Dakota College at Bottineau – Old Main Renovation | 3,700,000 |
| Total | $87,962,100 |

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**SECTION 17. EXEMPTION - PROJECT AUTHORIZATIONS**. The unexpended amount remaining from the $49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 18. ESTIMATED INCOME – LEGACY EARNINGS FUND - ONE-TIME FUNDING**. The estimated income line item in the education challenge fund line of section 1 of this Act includes the sum of $50,000,000 from the legacy earnings fund, of which is for the education challenge fund program. This funding is considered a one-time funding item.

**SECTION 19. ESTIMATED INCOME – LEGACY EARNINGS FUND - ONE-TIME FUNDING**. The estimated income line item in the education for energy workforce line of section 1 of this Act includes the sum of $10,000,000 from the legacy earnings fund, of which is for education scholarships for the energy workforce. his funding is considered a one-time funding item.

**SECTION 20. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – LAKE REGION STATE COLLEGE – DICKINSON STATE UNIVERSITY - MAYVILLE STATE UNIVERSITY – MINOT STATE UNIVERSITY –DAKOTA COLLEGE AT BOTTINEAU - CAPITAL PROJECTS**. The appropriation in subdivision 3 of section 1 of this Act includes the sum of $480,000 from the strategic investment and improvements fund for the Lake Region state college wind turbine replacement. The appropriation in subdivision 8 of section 1 of this Act includes the sum of $900,000 from the strategic investment and improvements fund for planning and design for the Dickinson state university ag and tech education building. The appropriation in subdivision 9 of section 1 of this Act includes the sum of $3,997,100 from the strategic investment and improvements fund for the planning and design of the Mayville old main renovation. The appropriation in subdivision 10 of section 1 of this Act includes the sum of $765,000 from the strategic investment and improvements fund for the demolition of Minot state university Dakota hall. The appropriation in subdivision 12 of section 1 of this Act includes the sum of $3,700,000 from the strategic investment and improvements fund for the Dakota college at Bottineau old main renovation.

**SECTION 21. EXEMPTION – STATE FISCAL RECOVERY – UNIVERSITY OF NORTH DAKOTA**. The amount of $5,000,000 appropriated to the university of North Dakota for the purpose of reconstruction of the university's apron at the Grand Forks airport in section 1 of chapter 548 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 22. EXEMPTION – STATE FISCAL RECOVERY – DICKINSON STATE UNIVERSITY**. The amount of $4,000,000 appropriated to the Dickinson state university for the purpose of a Pulver hall project, a meat processing laboratory remodel, and other projects in section 1 of chapter 548 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 23. EXEMPTION – STATE FISCAL RECOVERY – UNIVERSITY OF NORTH DAKOTA**. The amount of $50,000,000 appropriated to the university of North Dakota for the purpose of a Merrifield hall renovation in section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 24. EXEMPTION – STATE FISCAL RECOVERY – BISMARCK STATE UNIVERSITY**. The amount of $38,000,000 appropriated to Bismarck state university for the purpose of constructing a polytechnic building and related startup costs in section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 25. EXEMPTION – STATE FISCAL RECOVERY – MINOT STATE UNIVERSITY**. The amount of $25,000,000 appropriated to Minot state university for the purpose of Hartnett hall renovation in section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 26. EXEMPTION – STATE FISCAL RECOVERY – UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES**. The amount of $2,104,121 appropriated to university of North Dakota school of medicine and sciences for the purpose of purchasing equipment and hiring personnel to provide hyperbaric oxygen therapy in section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 27. EXEMPTION – STATE FISCAL RECOVERY – DAKOTA DIGITAL ACADEMY**. The amount of $475,000 appropriated to the state board of higher education for the purpose of providing for the Dakota digital academy in section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

**SECTION 28. EXEMPTION – STATE FISCAL RECOVERY – UNIVERSITY OF NORTH DAKOTA**. The amount of $10,000,000 appropriated to the university of North Dakota for the purpose of a space education and research initiative in section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2023 and ending June 30, 2025.

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**
Brynhild Haugland Room, State Capitol

HB 1003
1/5/2023

BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**10:13 AM Chairman Vigesaa** called the meeting to order. Roll call was taken:

**Members present;** Chairman Vigesaa Representative Kempenich Representative B. Anderson Representative Bellew Representative Brandenburg Representative Hanson Representative Kreidt Representative Martinson Representative Mitskog Representative Meier Representative Monson Representative Nathe Representative J. Nelson Representative O'Brien Representative Pyle Representative Richter Representative Sanford Representative Schatz Representative Schobinger Representative Strinden Representative G. Stemen Representative Swiontek

**Members not present;** Representative Mock

**Discussion Topics:**

- ND University System
- Student Association
- Digitization Response
- Budget Request
- EERC

**Tim Mihalick, State Board of Higher Education Vice Chair**- presented overview of HB1003 (Testimony #12433)

**10:25 AM Mark Hagerott Chancellor of the University System-** continuing with testimony #12433

**10:39 AM Christopher Scott, North Dakota Student Association-** testified in support of HB 1003 (Testimony #12444)

**11:04 AM Darin King, Vice Chancellor for Information Technology/CIO**- continues with testimony #12433, pg. 25

**11:12 AM Lisa Johnson, Vice Chancellor for Academic and Student Affairs** - continues with testimony #12433, pg. 28

**11:27 AM David Kressbach. Vice Chancellor for Administrative Affairs/CFO** – continues with testimony # 12433, pg. 30

**11:48 AM Peter Johnson, NDSU**- Spoke in favor.

**Additional written testimony:** # 12435, # 12437

**11:49 AM Chairman Vigessa closes meeting for HB 1003**

*Risa Berube, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003 AM
1/10/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**11:03 Chairman Nathe** opened the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Programs in MSU
- Campus highlights
- Operating expenses
- Revenue at MSU

**Mark Hagerott, Chancellor of NDUS,** spoke in favor of HB 1003

**Steve Shirley, PhD, President MSU** – spoke in favor of HB 1003, testimony #12663

**Brent Winiger, Minot State University -** spoke in favor of HB 1003

**Dave Krebsbach, NDUS** HB spoke in favor of HB 1003

**Carmen Simone, PhD Campus Dean/CEO Dakota College at Bottineau** spoke in favor of HB 1003, testimony #12617

**12:03 Chairman Nathe closed the meeting**

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003
1/10/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**1:50 PM Chairman Nathe** opened the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Proposed budget ND Forest Service
- Explained organizational structure ND Forest Service
- Agency services ND Forest Service
- Lake Region collaborations with other NDUS institutions
- Lake Region budget request
- The plan, goal and challenges for NDUS with the current budget
- NDUS budget proposal
- Other bills with budget impacts
- Capital budget

**David Cook, President NDSU -** spoke in favor of HB 1003

**Tom Claeys, State Forester** spoke in favor of HB 1003, testimony #12629

**Doug Darling, President of Lake Region State College –** spoke in favor of HB 1003, testimony #12683

**David Kresbach, Vice Chancellor for Administrative Affairs of NDUS** spoke in favor of HB 1003, testimony #12686

**Chancellor Mark Haggerott – ND** spoke in favor of HB 1003

**Additional written testimony:**

Doug Darling, President of Lake Region State College #12684

David Krebsbach, Vice Chancellor NDUS #12685

**3:44 PM Vice Chairman Swiontek** closed the meeting

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003
1/11/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**8:30 Chairman Nathe** opened the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Accomplishments, challenges, goals and plans for 2023-25 UND
- Base Funding Priorities for the School of Medicine at UND
- Capital projects at UND
- Mayville State University revenue and operating expenses/budget request
- Valley City State University budget request, accreditations

**Andrew Armacost, President University of North Dakota** spoke in favor of HB 1003

**Karla Mongeon-Stewart, VP Finance and Operations/COO UND** testified in favor of HB 1003, testimony #12689

**Faith Wahl - UND Student Government President** spoke in favor of HB 1003

**Andrew Armacost, President University of North Dakota** spoke in favor of HB 1003

**Joshua Wynn, M.D., M.B.A., M.P.H**, **Vice President for health Affairs** spoke in favor of HB 1003, testimony #12734

**10:24** Recess

**10:38 Chairman Nathe** continued HB 1003 meeting

**Brian Van Horn, President Mayville State University** spoke in favor of HB 1003, testimony # 12851

**Amber Hill – Vice President for Business Affairs** – spoke in favor of HB 1003

**Dr. Alan LaFave, President Valley City University –** spoke in favor of HB 1003, testimony #12786

**Paige Fettig** – former student VCSU testimony in favor of HB1003, testimony # 13081

**Additional Written Testimony:**

#12688, #12903, #12902, #12733, #12735,
#12736, #12661

11:58 Chairman Nathe closed the meeting for lunch

Donna Lynn Knutson, Committee Clerk

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003
1/11/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**2:13 PM Chairman Nathe** opened the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion:**

- North Dakota State University major accomplishments
- NDSU Research Foundation Accomplishments, vision for future, biennial budget
- Dickinson State University initiatives and budget requests
- Renovation of McCarthy Hall
- Addition of FTE

**Dr. Alan LaFave, President Valley City University** spoke in favor of HB 1003, testimony # 12786

**Dr. Allen Burgad, Dean VCSU** spoke in favor of HB 1003, continued testimony # 12786

**David Cook, President NDSU –** spoke in favor of HB 1003

**Christian Wolf, President Student Association** – spoke in favor of HB 1003

**Stephen D. Easton, President Dickinson State University –** testified in favor of HB 1003, testimony # 12826

**Additional written testimony:**
Josh Teigen, Commissioner of Commerce #12825
Stephan Easton, President Dickinson State University #12827
Eric Dodds, AE2S Program Manager, #12891
Daniel Hanson, West Fargo City Engineer, #12894
CEE Industrial Board #12890
Lisa Christenson, President of NDVMA, #12961
Gregg Theilman, President/CEO Houston Engineering, Inc., #12885
Kevin Bucholz, President Moore Engineering, #12870
Jason Westbrock, Vice President Barr Engineering #12847
Barry Batcheller, John Deere's Director of Technology Growth #12727

Shannon Full, President/CEO FMWF Chamber of Commerce, #12914

**4:36 PM Chairman Nathe** adjourned the meeting

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**1/12/2023**

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**8:29 AM Chairman Nathe** opened the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Williston State College academic and training programs
- WCC budget request and compensation package
- NDSCS mission and programs offered
- BSC academic/athletic performance center

**Bernell Hirning, President Williston State College -** testified in support of HB 1003, testimony #12782

**Krista Lambrecht, WSC -** testified in support of HB 1003, testimony #13074

**Dr. Rod Flanigan, President NDSCS –** testified in support of HB 1003, testimony #13074

**Dr. Doug Jensen, BSC President –** testified in support of HB 1003, testimony #12790,

#12791

**11:07 AM Chairman Nathe** adjourned the meeting

*Donna Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003
1/18/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**2:46 PM Chairman Nathe** – opened the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Funding formula for higher education
- Trending head count funding effect
- Cost of equity package

**Representative Sandford** - testified in favor of HB 1003, testimony #14360

**Mark Hagerott Chancellor NDUS**- spoke in favor of HB 1003

**David Krebsbach Vice Chancellor of Administrative Affairs**- testified in favor of HB 1003, testimony #14371

**Jen Weber, Director of Intuitional Research NDUS** - spoke in favor of HB 1003

**Additional written testimony:**

Dave Krebsbach, Vice Chancellor of Administrative Affairs #14374, #14379

**3:50 PM Chairman Nathe adjorned** the meeting

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
1/20/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**9:00 AM Vice Chairman Swiontek** opened the meeting

Members present: Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

Absent: Chairman Nathe,

**Discussion Topics:**

- Student assistance program
- FAFSA and requirements
- Scholar's program
- Academic and Career Education Award
- CTE scholarship

**Representative Sandford** testified in favor on HB 1003, testimony #14374

**Brenda Zastoupil, Director of Financial Aid,** testified in favor of HB 1003, testimony #14789

**Chancellor Hagerott** spoke in favor of HB 1003

**10:25 AM Vice Chairman Swiontek adjorned the meeting**

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003
1/23/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**8:31 AM Chairman Nathe** started the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Nine new scholarship options
- Scholarships to students who stay in ND
- Scholarships to students at all levels

**Representative Sandford** spoke in favor of HB 1003.

**Brenda Zastoupil, Director of Financial Aid, NDUS** – testified in favor of HB 1003, # 15670.

**9:01 AM Chairman Nathe** - adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**1/23/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**2:31 PM Chairman Nathe** started the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Collections of school loans
- Delinquent accounts
- Career Builders
- Teacher education
- Dollars for Scholars

**Kelvin Hullet - Chief Business Development Officer Bank of ND** – spoke in favor of HB 1003.

**Bob Baier, Bank of ND** – spoke in favor of HB 1003

**Brenda Zastoupil, NDUS** – spoke in favor of HB 1003

**2:53 PM Chairman Nathe** - adjourned the meeting

*Donna Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**1/24/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**8:30 AM Chairman Nathe** opened the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- System budget
- System office
- Funding for financial aid payment
- Challenge Grant
- 3 – Tiers
- Behavioral Health Initiatives
- Workforce Education Grant

**Mark Hagerott, Chancellor of Higher Education, NDUS–** spoke in favor of HB 1003

**Chairman Nathe called a recess**

**David Krebsbach, Chief Financial Officer, NDUS –** testified in favor of HB 1003, testimony #16487.

**Darin King Vice Chancellor of IT, NDUS** – spoke in favor of HB 1003

**DeAnna Carlson Zink – CEO UND Alumni Association and Foundation** – spoke in favor HB 1003

**Additional Written Testimony:**

Alex Cronquist, Legislative Council, #16495

David Krebsbach, Chief Financial Officer, NDUS, #16491

**10:50 AM Chairman Nathe** adjourned the meeting

Donna Lynn Knutson, Committee Clerk

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**1/25/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**2:20 AM Chairman Nathe** opened the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Space Development Agency
- University Partners Program
- Department of Defense
- Nanofoundry
- National Security Corridor
- SCIF
- Odegard School
- Space X
- Autonomous System Environment Development and Test Facility
- High Speed Laser
- Debris tracking
- Virtual Reality – DREAM Laboratory
- Cyber Security
- 3D – Printed Rocket Components Lab

**Andrew Armacost, President UND** – testified on HB 1003, testimony #17077, #17085

**Brad Runquist, Dean of College of Arts and Sciences, UND** testified in favor of HB 1003, testimony #17085

**Brian Tande, Dean of College of Engineering and Mines, UND -** testified in favor of HB 1003, testimony #17085

**Ryan Adams, Associate Dean for National Security, UND** - testified in favor of HB 1003, testimony #17085

**Robert Kraus, Dean of Aerospace, UND**- testified in favor of HB 1003, testimony #17085

**Mark Askelson, Department of Atmospheric Sciences, Associate Vice President for Research, UND – testified in favor of HB 1003, testimony #17085**

**3:48 PM Chairman Nathe closed the meeting**

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB1003**
**1/26/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**2:21 PM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz
Representative Hanson was absent.

**Discussion Topics:**

- Student assistant program
- Tuition
- High Demand Certificate Program
- Dual Credit Scholarship Program
- Challenge Grant

**Representative Sanford** testified for HB 1003, testimony #17255

**Representative Richter** spoke in favor of HB 1003.

**Chancellor Hagerott,** NDUS spoke in favor of HB 1003.

**Representative Martinson** spoke in favor of HB 1003.

**Representative Richter** proposed an amendment to HB 1003 to allow challenge grant money for private colleges.

**Chairman Nathe** spoke against Representative Richter's proposed amendment to HB 1003, stating to keep challenge grant money only available to public higher education schools.

**David Krebsbach**, Vice Chancellor NDUS, testified in support of HB 1003, testimony #17256, #17257

**Dr. Flannigan, President of WSCS**- spoke in favor of HB 1003.

**Additional Written Testimony:**
Alex Cronquist, Legislative Council, testimony #17260

**3:25 PM Chairman Nathe** adjourned the meeting.
*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**1/30/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**10:00 AM Chairman Nathe** opened the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Minnesota reciprocity
- Enrollment comparison
- Tuition freezes
- Tuition increase

**David Krebsbach, Chief Financial Officer, NDUS –** testified in favor of HB 1003, testimony #17952

**Representative Richter** spoke in favor on HB 1003.

**Chairman Nathe** spoke in favor on HB 1003.

**David Krebsbach, Chief Financial Officer, NDUS –** testified in favor of HB 1003.

**Representative Swiontek**, spoke in favor of HB 1003.

**Representative Sanford,** spoke in favor of HB 1003.

**Mark Hagerott, Chancellor of Higher Education, NDUS–** spoke in favor of HB 1003.

**10:57 AM Vice Chairman Swiontek** adjourned the meeting

Donna Lynn Knutson, Committee Clerk

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003
1/31/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**2:29 PM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Grand Farm research at NDSU
- Agricultural research and graduate students
- WorkForce Education
- Challenge Grant
- Tiers
- Funding formula

**Dr. Lardy, Vice President Agricultural Affairs, NDSU**, spoke in favor of HB 1003.

**2:40 PM Chairman Nathe** requested a recess to get data.

**2:59 PM Chairman Nathe** resumed the meeting.

**Vice Chairman Swiontek** presented a one-time funding appropriation to HB 1018, testimony #18271.

**Representative Richter** spoke in favor of HB 1018.

**Representative Martinson** spoke in favor of HB 1018.

**Representative Hanson** spoke in favor of HB 1018.

**Representative Sanford** spoke in favor of HB 1018.

**Chairman Nathe** discussed the Appropriation to Mayville for renovations, testimony #18270.

**Chairman Nathe** discussed proposed national security initiative for UND, testimony #18274.

**Chairman Nathe** discussed proposed appropriation for student support for single mothers, testimony #18272.

**Representative Martinson** discussed a proposed amendment, testimony #18267.

**Representative Sanford** discussed proposed amendments.

**Additional Written Testimony:**

Representative Sanford from David Krebsbach, NDUS, testimony #17093

**4:01 PM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**2/3/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**10:02 AM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Possible tuition freeze
- Scholarships may be adjusted
- Career builders
- PERS

**Representative Sanford** spoke in favor of HB 1003.

**Representative Martinson** spoke in favor of HB 1003.

**Representative Hanson** spoke in favor of HB 1003.

**Representative Richter** spoke in favor of HB 1003.

**Karla Stewart**, Vice President Finance and Operations UND, spoke in favor of HB 1003

**David Krebsbach**, Chief Financial Officer, NDUS, answered questions on HB 1003, #14371, page 16, previously released 1/18/23.

**Rebecca Collins**, Executive Vice President, Bismarck State College, asked questions on HB 1003.

**10:45 AM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

HB 1003
2/6/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**2:52 PM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Northern Tier Network
- Funding for IT
- Requirement by DOD
- FTE's in the system office budget

**David Krebsbach**, Chief Financial Officer, NDUS, answered questions on HB 1003.

**Mark Wallman, Vice President Information Technology, NDSU** answered questions on HB 1003.

**Darin King**, Chief Information Officer, UND answered questions on HB1003.

**3:32 PM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**2/7/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**10:07 AM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Severance agreements
- Committee discussion
- Proposed four amendments

**Proposal #1:**

**Vice Chairman Swiontek** distributed a proposed amendment 23.0232.01009. (#19763)

**Representative Martinson** moved to adopt the amendment.

**Representative Sanford** seconded the motion.

**Dr. Mark Hagerott**, Chancellor of NDUS answered questions on the HB 1003, proposed amendment 23.0232.01009.

**Roll call vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

**Motion carried 6-1-0.**

**Proposal #2:**

**Vice chairman Swiontek** presented the proposed amendment 23.0232.01012, (#20037).

**Representative Schatz** proposed rewording amendment.

**Vote was held until wording changes were made**.

**Proposal #3:**

**Vice chairman Swiontek** presented proposed amendment 23.0232.01008. (#19764)

**David Krebsbach**, Chief Financial Officer, NDUS, answered questions on HB 1003, 23.0232.01008 amendment.

**Vice Chairman Swiontek** moved to adopt the amendment.

**Representative Hanson** seconded.

**Voice vote was taken; motion carries.**

**Proposal #4:**

**Vice Chairman Swiontek** distributed a proposed amendment 23.0232.01011. (#19765)

**Representative Martinson** moved to adopt the amendment.

**Representative Hanson seconded.**

**Voice vote was taken; motion carries**.

**Vice Chairman Swiontek is the bill carrier.**

**11:06 AM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**2/10/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**10:07 AM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Student assistance
- State-Funded student Financial Aid
- Workforce Development Programs
- Tuition freeze
- Tuition comparisons for school in the region
- Committee action

**Representative Sanford** presented information testimony #20517, #20518, #20521.

**Lisa Johnson**, Vice Chancellor for Academic and Student Affairs, answered clarifying questions.

**Committee discussion**

**Brenda Zastoupil**, Director of Financial Aid, NDUS, answered clarifying questions.

**David Krebsbach**, Chief Financial Officer, NDUS, answered clarifying questions.

**Committee Discussion**

**Mark Hagerott,** Chancellor of NDUS answered clarifying questions.

**Vice Chairman Swiontek**, presented the proposed amendment (23.0232.01013), #20522.

**Vice Chairman Swiontek** moved to adopt (23.0232.01013)

**Representative Martinson** seconded the motion.

| | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

Motion carries 6-1-0.

**Vice Chairman Swiontek** presented the proposed amendment 23.0232.01014, (#20525).

**Vice Chairman Swiontek** moved to adopt 23.0232.01014.

**Representative Hanson** seconded.

**Roll call vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | Y |

**Motion carried 7-0-0.**

**Representative Sanford** moved a verbal amendment, “96% minimum amount payable on the education formula for schools”.

**Representative Martinson** seconded.

**Voice vote carries 7-0-0.**

**11:18 AM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**2/13/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**9:38 AM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Northern Tier Network
- Computational Research
- Cybersecurity Maturity Model Certification
- Capital Building Fund
- Agriculture and Institution Capital Project

**Lisa Johnson,** Academic and Student Affairs NDUS, answered questions relating to HB 1003.

**Representative Sanford** passed out proposed budgets, #20659, #20689, #20690.

**Representative Sandford moved to accept Capitol Building Fund.**

**Vice Chairman Swiontek** seconded.

**Roll call vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

**6-1-0 Motion carries.**

**Representative Sanford proposed a do pass on Capitol Building Fund.**

**Representative Martinson** seconded.

**Roll call vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

**6-1-0 Motion carries.**

**Committee Discussion**

**Representative Sanford proposed a do pass on the Ag and Institution Capital Project**

**Representative Martinson** seconded.

**Roll call Vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

**6-1-0 Motion carries**

**Committee Discussion**

**Representative Sandford proposed a tuition freeze 6 & 4%.**

**Representative Martinson seconded.**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | y |

**7-0-0 Motion carries.**

**Representative Sanford moved to allow institutions the ability to increase high-cost programs 1%.**

**Representative Martinson seconded.**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | Y |

**7-0-0 motion carries**

**Representative Sanford moved to allow institutions the ability to increase housing expenses 1%.**

**Seconded by Vice Chairman Swiontek.**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | N |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | Y |

**6-1-0 motion carries**

**Committee discussion** HB 1003 budget changes #20781.

**David Krebsbach**, Chief Financial Officer, NDUS, answered questions on HB 1003.

**Committee Discussion**

**Chairman Nathe** passed out 23.0232.01015, proposed amendment to HB 1003, #20785.

**Representative Hanson moved a do pass as amended.**

**Vice Chairman Swiontek seconded**

**Roll call vote.**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | N |
| Representative Mike Schatz | N |

**5-2-0 Motion carries**

**Additional Written Testimony:**

Levi Cronquist, Legislative Council, NDUS Office Budget # 20800.

**11:37AM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**2/14/2023**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**10:02 AM Chairman Nathe** started the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- Committee discussion on proposed budget

**Alex Cronquist**, Legislative Council, passed out the North Dakota University System Office – Budget No. 215, #20809.

**Representative Sanford** moved an amendment to clarify the president of an institution's roles and responsibilities, #20805.

**Representative Martinson** seconded.

**Roll call vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | N |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

**5-2-0 Motion carries.**

**Representative Martinson moved a do pass on entire amendment package 23.0232.01019 for HB 1003, #20865**

**Vice Chairman Swiontek seconded.**

**Roll call vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

**6-1-0 Motion carries.**

**Representative Sanford moved a do pass as amended on HB 1003.**

**Vice Chairman Swiontek seconded.**

**Roll call vote:**

| Representatives | Vote |
|---|---|
| Representative Mike Nathe | Y |
| Representative Steve Swiontek | Y |
| Representative Karla Rose Hanson | Y |
| Representative Bob Martinson | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |

**6-1-0 Motion carries. Representative Sanford will carry HB 1003.**

**10:20 AM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**
Brynhild Haugland Room, State Capitol

HB 1003
2/17/2023

BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.

**8:45 AM Chairman Vigesaa**- Meeting was called to order and roll call was taken:

**Members present;** Chairman Vigesaa, Representative B. Anderson, Representative Bellew, Representative Brandenburg, Representative Hanson, Representative Kreidt, Representative Martinson, Representative Mitskog, Representative Meier, Representative Mock, Representative Monson, Representative Nathe, Representative J. Nelson, Representative O'Brien, Representative Pyle, Representative Richter, Representative Sanford, Representative Schatz, Representative Schobinger, Representative Strinden, Representative G. Stemen and Representative Swiontek.

**Members not Present**- Representative Kempenich

**Discussion Topics:**

- Amendment

**Representative Sanford-** Goes over some history of the budget, the statement of purpose and amendment 23.0232.01020 (Testimony #21069, #21071, #21070 & #20517)

**Representative Sanford** Moves to adopt the amendment 23.0232.01020

**Representative Nathe** Seconds the motion.

Committee discussion- Roll call vote

| Representatives | Vote |
|---|---|
| Representative Don Vigesaa | Y |
| Representative Keith Kempenich | A |
| Representative Bert Anderson | Y |
| Representative Larry Bellew | N |
| Representative Mike Brandenburg | Y |
| Representative Karla Rose Hanson | Y |
| Representative Gary Kreidt | Y |
| Representative Bob Martinson | Y |
| Representative Lisa Meier | Y |
| Representative Alisa Mitskog | Y |
| Representative Corey Mock | Y |
| Representative David Monson | Y |
| Representative Mike Nathe | Y |
| Representative Jon O. Nelson | Y |

| | |
|---|---|
| Representative Emily O'Brien | Y |
| Representative Brandy Pyle | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |
| Representative Randy A. Schobinger | Y |
| Representative Greg Stemen | Y |
| Representative Michelle Strinden | Y |
| Representative Steve Swiontek | Y |

**Motion Carries 20-2-1**

**Representative Sanford** Move for a Do Pass as Amended

**Representative Swiontek** -Seconds the motion.

Committee discussion- Roll call vote

| Representatives | Vote |
|---|---|
| Representative Don Vigesaa | Y |
| Representative Keith Kempenich | A |
| Representative Bert Anderson | Y |
| Representative Larry Bellew | N |
| Representative Mike Brandenburg | Y |
| Representative Karla Rose Hanson | Y |
| Representative Gary Kreidt | Y |
| Representative Bob Martinson | Y |
| Representative Lisa Meier | Y |
| Representative Alisa Mitskog | Y |
| Representative Corey Mock | Y |
| Representative David Monson | Y |
| Representative Mike Nathe | Y |
| Representative Jon O. Nelson | Y |
| Representative Emily O'Brien | Y |
| Representative Brandy Pyle | Y |
| Representative David Richter | Y |
| Representative Mark Sanford | Y |
| Representative Mike Schatz | N |
| Representative Randy A. Schobinger | Y |
| Representative Greg Stemen | Y |
| Representative Michelle Strinden | Y |
| Representative Steve Swiontek | Y |

**Motion Carries 20-2-1 Representative Sanford will carry HB 1003**

**9:37 AM Chairman Vigesaa** Closed the meeting for HB 1003

*Risa Berube, Committee Clerk*

23.0232.01020
Title.02000

Fiscal No. 2

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division Committee
February 16, 2023

AB 2-17-23

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact five new sections to chapter 15-10 and section 15-18.2-06.1 of the North Dakota Century Code, relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; to amend and reenact sections 15-10-38.1, 15-10-38.2, 15-10-38.3, subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-49, subsection 2 of section 15-10-49, sections 15-10-57 and 15-10-63, subdivision k of subsection 1 of section 15-18.2-02, subsection 1 of section 15-18.2-05, section 15-54.1-02, subsection 1 of section 15-62.4-03, subdivision c of subsection 2 of section 54-07-12, and section 54-44.1-11 of the North Dakota Century Code, relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; to repeal sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code, relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program;"

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; to provide legislative intent; and to declare an emergency"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 30

Page 7, replace lines 1 and 2 with:

"

NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 2,703,085 | 11,308,655 |
| Core technology services | 62,962,817 | 7,863,991 | 70,826,808 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |

| | | | |
|---|---|---|---|
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 36,000,000 | 36,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 | 4,500,000 |
| Inflationary passthrough grants | 0 | 20,100,000 | 20,100,000 |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| Total general fund | $116,898,476 | $93,179,187 | $210,077,663 |
| Full-time equivalent positions | 158.83 | 4.00 | 162.83 |

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Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $6,815,663 | $107,387,050 |
| Capital assets | 1,922,561 | 31,500,000 | 33,422,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| Total general fund | $32,084,055 | $4,118,929 | $36,202,984 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $1,913,818 | $41,064,731 |
| Capital assets | 362,667 | 600,000 | 962,667 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| Total general fund | $14,242,152 | $967,690 | $15,209,842 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

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| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,619,856 | $36,664,160 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| Total general fund | $11,286,737 | $1,872,380 | $13,159,117 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $52,555,093 | $954,728,423 |
| Capital assets | 4,411,566 | 190,000,000 | 194,411,566 |
| National security initiative | 0 | 45,000,000 | 45,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| Total general fund | $150,927,125 | $72,802,227 | $223,729,352 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $40,359,558 | $796,408,879 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Workforce education | 0 | 4,800,000 | 4,800,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| Total general fund | $138,431,325 | $25,959,623 | $164,390,948 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $4,650,059 | $100,197,524 |
| Capital assets | 1,012,379 | 19,975,000 | 20,987,379 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |

| | | | |
|---|---|---|---|
| Total general fund | $35,714,792 | $2,598,858 | $38,313,650 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

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Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $4,755,696 | $55,581,756 |
| Capital assets | 409,078 | 18,000,000 | 18,409,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| Total general fund | $20,242,730 | $3,661,077 | $23,903,807 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $4,577,144 | $55,180,420 |
| Capital assets | 358,992 | 0 | 358,992 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $4,885,878 | $55,848,146 |
| Less estimated income | 32,282,440 | 1,763,104 | 34,045,544 |
| Total general fund | $18,679,828 | $3,122,774 | $21,802,602 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $9,659,724 | $113,814,501 |
| Capital assets | 1,099,620 | 11,865,000 | 12,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| Total general fund | $41,206,630 | $6,190,163 | $47,396,793 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $4,626,767 | $54,710,167 |
| Capital assets | 455,823 | 35,500,000 | 35,955,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |

| | | | |
|---|---|---|---|
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| Total general fund | $24,161,377 | $3,425,923 | $27,587,300 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

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Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,023,135 | $25,663,190 |
| Capital assets | 114,007 | 5,300,000 | 5,414,007 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| Total general fund | $9,537,862 | $1,653,513 | $11,191,375 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $17,796,430 | $236,049,488 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| Total general fund | $68,122,959 | $12,013,712 | $80,136,671 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,252,937 | $24,596,002 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| Total general fund | $4,792,478 | $783,043 | $5,575,521 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $232,349,099 | $918,677,625 |
| Grand total special funds | 1,926,770,039 | 546,804,929 | 2,473,574,968 |
| Grand total all funds | $2,613,098,565 | $779,154,028 | $3,392,252,593" |

Page 7, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

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Page 7, line 4, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 7, replace line 6 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $293,290,000 |
| Capital projects - other funds | 4,363,000 | 170,363,939 |
| University of North Dakota national security initiative | 0 | 45,000,000 |
| North Dakota state university workforce education | 0 | 4,800,000" |

Page 7, replace lines 22 through 26 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 36,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 |
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,554,354 |
| Passthrough grants | 0 | 20,100,000 |
| Total all funds | $207,876,121 | $589,698,917 |
| Total other funds | 190,851,121 | 463,653,939 |
| Total general fund | $17,025,000 | $126,044,978 |

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The state board of higher education shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 7, line 28, after "**APPROPRIATION**" insert "**- EXEMPTION**"

Page 8, line 5, after the period insert "Notwithstanding section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts appropriated in sections 1 and 4 of this Act may spend those funds for the capital project.

**SECTION 4. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - MAYVILLE STATE UNIVERSITY - OLD MAIN RENOVATION - ONE-TIME FUNDING.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of $49,970,100, or so much of the sum as may be necessary, to Mayville state university for the purpose of renovating old main, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Page 8, line 8, after the second "institution" insert ", excluding the university of North Dakota and North Dakota state university,"

Page 8, line 8, replace "two dollars" with "one dollar"

Page 8, line 10, after the period insert "The university of North Dakota and North Dakota state university shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

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**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The grand total special funds line item in subdivision 15 of section 1 of this Act includes $293,290,000 from the strategic investment and improvements fund for capital projects as follows:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $29,900,000 |
| Williston state college medical healthcare building | 34,750,000 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| University of North Dakota science, technology, engineering, and math building | 52,000,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 18,975,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Minot state university academic building | 7,600,000 |
| Valley City state university McCarthy hall renovation | 11,500,000 |
| Dakota college at Bottineau old main renovation | 4,300,000 |
| Total strategic investment and improvements fund | $293,290,000 |

**SECTION 7. NORTH DAKOTA STATE UNIVERSITY - WORKFORCE EDUCATION - REPORT.** The appropriation in subdivision 6 of section 1 of this Act includes $4,800,000 from the general fund for North Dakota state university for the purpose of creating or expanding programs and enrollment initiatives, as identified by the North Dakota state university president, to address the workforce needs of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding may only be used to create or expand programs and initiatives and may not be used for programs that have been closed or reduced by North Dakota state university since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding identified in this section.

**SECTION 8. STUDENT SUPPORT FOR SINGLE MOTHERS - PILOT PROGRAM - REPORT.**

1. The appropriation in subdivision 1 of section 1 of this Act includes the sum of $4,500,000 from the general fund for the purpose of supporting single mothers, for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. The state board of higher education may provide up to $250,000 to each institution under its control, each tribally controlled community college in this state, the university of Jamestown, and the university of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.

3. An eligible institution in subsection 2 must submit an application to the state board of higher education in order to receive funding under this section. The application must include the institution's plan identifying how the funding would benefit students enrolled at the institution, the estimated number of students impacted, and the estimated cost.

4. A student enrolled at an eligible institution in subsection 2 is eligible for support under this section if the student is residing in this state and is:

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a. An unmarried pregnant individual who is experiencing an unintended pregnancy;

b. An unmarried mother who experienced an unintended birth while attending the institution; or

c. An unmarried mother with a child or children under four years of age.

5. Funding awarded under this section may be used for on-campus room and board and the costs of providing on-campus day care for the children of students eligible pursuant to subsection 4.

6. If any available dollars have not been granted to an institution by the board before December 31, 2024, the board may allow institutions in subsection 2 to submit applications for any unused funding for the purposes of this section.

7. The state board of higher education may adopt policies and procedures as necessary to enact this section.

8. The state board of higher education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the results of this program, including the number of students assisted at each institution.

**SECTION 9. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - NORTH DAKOTA STATE UNIVERSITY.** Of the funding appropriated in subdivision 1 of section 1 of chapter 31 of the 2021 Session Laws for the biennium beginning July 1, 2021, and ending June 30, 2023, that is continued pursuant to section 54-44.1-11, the state board of higher education shall transfer $367,000 to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

**SECTION 10. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North Dakota university system office a total of $1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. The estimated income line item in subdivision 1 of section 1 includes $1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

**SECTION 11. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce student loan repayment program fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 12. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget shall transfer $29,000,000 from the strategic investment and improvements fund to the university system capital building fund during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

| | Tier II | Tier III | Total |
|---|---|---|---|
| Bismarck state college | $851,386 | $500,000 | $1,351,386 |
| Lake Region state college | 354,750 | 500,000 | 854,750 |
| Williston state college | 275,894 | 500,000 | 775,894 |
| University of North Dakota | 8,723,602 | 2,250,000 | 10,973,602 |
| North Dakota state university | 5,799,192 | 2,250,000 | 8,049,192 |
| North Dakota state college of science | 1,001,390 | 500,000 | 1,501,390 |
| Dickinson state university | 537,724 | 500,000 | 1,037,724 |
| Mayville state university | 480,058 | 500,000 | 980,058 |
| Minot state university | 1,145,602 | 500,000 | 1,645,602 |
| Valley City state university | 618,274 | 500,000 | 1,118,274 |
| Dakota college at Bottineau | 212,128 | 500,000 | 712,128 |
| Total | $20,000,000 | $9,000,000 | $29,000,000 |

**SECTION 14. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-eighth legislative assembly:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $31,500,000 |
| Lake region state college wind turbine gearbox replacement | 600,000 |
| Williston state college medical healthcare building | 36,600,000 |
| University of North Dakota science, engineering, and national security corridor | 82,000,000 |
| University of North Dakota science, technology, engineering, and math building | 75,000,000 |
| North Dakota state university center for engineering and computational sciences | 84,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 19,975,000 |
| Dickinson state university agriculture and technical education building | 18,000,000 |
| Minot state university academic building | 8,000,000 |
| Valley City state university McCarthy hall renovation | 13,500,000 |
| Dakota college at Bottineau old main renovation | 5,300,000 |
| Total | $374,475,000 |

**SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE INTENT.**

1. The state board of higher education may not include requests for any state funds for capital projects in its budget request submitted to the sixty-ninth legislative assembly. The state board of higher education may request other funds appropriation authority from the sixty-ninth legislative assembly for projects funded from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds.

2. It is the intent of the sixty-eighth legislative assembly that this Act includes all capital projects to be appropriated funding from the state, excluding projects that receive funding solely from local funds, gifts, grants,

donations, the institution's allocation in the university system capital building fund, or revenue bonds, during the period beginning July 1, 2023, and ending June 30, 2027.

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3. An institution must have possession of local matching funds allocated to a project prior to expending any funding from the strategic investment and improvements fund for the project.

4. If an institution is unable to provide the appropriated amount of matching funds for a capital project provided for in this Act, the institution may only spend a proportional amount of funding from the strategic investment and improvements fund for the project. If an institution is unable to provide necessary matching funds by June 30, 2027, to complete the project in whole or in part, the appropriation from the strategic investment and improvements fund must be canceled.

5. Any inflationary or other costs associated with previously approved projects must be paid from the institution's local funds or the institution's allocation in the university system capital building fund.

**SECTION 16. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

**SECTION 17. UNIVERSITY OF NORTH DAKOTA - SCHOOL OF MEDICINE AND HEALTH SCIENCES - OPERATIONS.** The operations line items in subdivision 5 and 13 of section 1 of this Act include a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2023, and ending June 30, 2025. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

**SECTION 18.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**State commissioner of higher education - Higher education trends - Report to budget section.**

The state commissioner of higher education shall provide an annual report to the budget section regarding trends in higher education, including state and regional student enrollment, North Dakota university system institution reserves, state and regional tuition rates, state and regional student financial assistance, and the North Dakota university system's response to the trends and changes, including new or expanded educational programs, closed programs, and future budget requests.

**SECTION 19.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Severance agreements - Funding - Emergency commission and budget section approval.**

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement. Emergency commission and budget section approval is required before the board may expend any funds pursuant to this section. When considering the request, the budget section shall consider the amount obligated to the individual named in the severance agreement pursuant to the individual's employment contract with the board or institution under the control of the board, the cost of the severance agreement, and the justification for the severance agreement provided by the board.

**SECTION 20.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Academic program approval.**

The state board of higher education shall approve or deny a request from an institution under its control for a new or expanded academic program within thirty days of the institution submitting its request for the program to the commissioner of higher education.

**SECTION 21.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Disclosure of financial condition.**

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher education may require the qualified applicants to sign a nondisclosure agreement prior to receiving the disclosure of financial condition.

**SECTION 22.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Campus policies and procedures.**

The president of an institution under the control of the state board of higher education may adopt policies, procedures, and directives for the institution, with input but no authoritative control from faculty and others through shared governance. The commissioner of higher education and the state board of higher education may overturn or amend the president's policies, procedures, and directives.

**SECTION 23. AMENDMENT.** Section 15-10-38.1 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce student loan repayment program fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

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1. There is created in the state treasury the skilled workforce student loan repayment program fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and loan repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of distributing student loan repayment grants directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The state board of higher education may transfer money between this fund and the skilled workforce scholarship fund established in section 15-10-38.2.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce student loan repayment program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. Graduates of degree or certificate programs from institutions or entities in any state may apply for the skilled workforce student loan repayment program. To be eligible to receive student loan repayment grants under the program, the applicant:

   a. Must have successfully completed an educational program from an institution of higher education;

   b. Must have a student loan with the Bank of North Dakota or other participating lender;

   c. Following completion of an educational program, must reside and work in this state in an eligible high-demand or emerging occupation; and

   d. Must have met and shall continue to meet any requirements established in applicable state board of higher education procedures.

5. The state board of higher education shall adopt procedures to ensure compliance with residency and occupation requirements after completion of the educational program.

6. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or

one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.

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7. If an individual is receiving loan forgiveness under any other state program, the individual may not receive a student loan repayment grant under this section during the same application year. ~~An individual who received a skilled workforce scholarship under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~

8. An individual may receive a combined total of no more than seventeen thousand dollars under this section and the skilled workforce scholarship program under section 15-10-38.2.

9. ~~The skilled workforce student loan repayment program must be a joint public and private effort.~~ The state board of higher education shall provide one dollar of funding for each one dollar of ~~funding~~funds raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.

10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The number of applicants, eligible applicants, and applicants receiving awards;

    c. The amount of ~~private funding~~matching funds raised; and

    d. The average and total amounts awarded under the program.

**SECTION 24. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, tribally controlled community colleges, state-approved educator training programs, and North Dakota institutions approved to operate by the North Dakota board of career and technical education. The state board of higher education may transfer money

between this fund and the skilled workforce student loan repayment program fund established in section 15-10-38.1.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program is a program resulting in attainment of an associate's degree or lower credential ~~upon successful completion or a~~ program that may be completed within four semesters ~~or~~, six quarters, or the final two years of a baccalaureate program. A qualifying educational program also must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.

5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.

6. To be eligible for a scholarship ~~and~~ payment under this section, a student must be enrolled full time in an eligible program and have at least a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.

7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.

8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain either a 2.5 cumulative grade point average or academic progress according to program requirements while enrolled, withdraws voluntarily or

involuntarily before the completion of the program for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.

9. The state board of higher education, in conjunction with the Bank of North Dakota, may allow an individual who received payment under this section to delay or cancel repayment under this section due to financial difficulty, military service, death, or total disability.

10. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.

11. ~~The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state.~~The state board of higher education shall provide one dollar of funding for each one dollar raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce scholarship fund.

12. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The qualifying educational programs;

    c. The number of applicants, eligible applicants, and applicants receiving awards;

    d. The amount of ~~private funding~~matching funds raised; and

    e. The average and total amounts awarded under the program.

**SECTION 25. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.3. Scholarship and loan forgiveness administrative costs - ~~Continuing appropriation. (Effective through July 31, 2023)~~**

The state board of higher education shall retain up to one and one-half percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for promotion and administration of the programs under those sections.

~~**Scholarship and loan forgiveness administrative costs - Continuing appropriation. (Effective after July 31, 2023)** The state board of higher education shall retain up to one-half of one percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for administration of the programs under those sections.~~

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**SECTION 26. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to ~~one million seven hundred thousand~~five million dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~one million five hundred thousand~~four million dollars in matching grants ~~for projects at~~each to the university of North Dakota school of medicine and health sciences and the North Dakota state university main research center. Of the amount available to the university of North Dakota, two hundred fifty thousand dollars must be awarded for projects dedicated to projects at the school of law.

**SECTION 27. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to:

(1) ~~Nine hundred fifty thousand~~Three million dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;

(2) ~~Seven hundred thousand~~Two million dollars each to Dickinson state university, Mayville state university, and Valley City state university; and

(3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college.

**SECTION 28. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.

b. An application submitted under this subsection must meet the same criteria as an original application.

c. The board shall prioritize available dollars allocated in paragraph 1 of subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 2 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 3 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of subsection 1.

d. After considering applications pursuant to subdivision c, the board shall consider each application submitted under this subsection in chronological order.

~~d.~~e. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

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**SECTION 29. AMENDMENT.** Section 15-10-57 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-57. Unified workforce, vocational, and technical education program system.**

The state board of higher education shall establish and maintain a unified system to offer workforce training, vocational education, and technical education programs at institutions under its control. The board shall periodically review programs offered by institutions under its control and revise program offerings based on the workforce needs of the state identified by the workforce ~~education advisory~~development council. The board shall develop administrative arrangements that make possible the efficient use of facilities and staff. The board shall limit administrative costs by eliminating duplicative administrative positions.

**SECTION 30. AMENDMENT.** Section 15-10-63 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-63. Capital projects.**

1. The university of North Dakota and North Dakota state university shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least thirty percent of the total estimated cost of a capital project request submitted to the legislative assembly.

2. Bismarck state college, lake region state college, Williston state college, the North Dakota state college of science, Dickinson state university, Mayville state university, Minot state university, Valley City state university, and Dakota college at Bottineau shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least five percent of the total estimated cost of a capital project request submitted to the legislative assembly.

3. An institution under the control of the state board of higher education may undertake a facility renovation project only if the project will reduce the deferred maintenance amount of the facility by no less than seventy five percent of the total cost of the renovation. The institution shall maintain documentation that demonstrates the cost and scope of the deferred maintenance reduction that results directly from the renovation. This subsection does not apply to projects undertaken solely to correct building code deficiencies or to installations of infrastructure determined by the board to be essential to the mission of the institution.

~~2.~~4. Facility construction and renovation projects undertaken by an institution under the control of the state board of higher education must conform to campus master plan and space utilization requirements approved by the state board of higher education.

**SECTION 31. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

k. The ~~factors~~factor for credits completed in career and technical education ~~are:~~

~~(1) 3.0 for lower division credits; and~~

~~(2) 5.0 for upper division credits~~is 5.0.

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**SECTION 32. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided under subsections 2 and 3, to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.2-03 by a base amount of:

   a. ~~$61.81~~$72.39 in the case of North Dakota state university and the university of North Dakota;

   b. ~~$92.60~~$102.78 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and

   c. ~~$98.84~~$109.30 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.

**SECTION 33.** Section 15-18.2-06.1 of the North Dakota Century Code is created and enacted as follows:

**Base funding - Minimum amount payable.**

Notwithstanding any calculations required by this chapter, during each biennium an institution may not receive less than ninety-six percent of the state aid to which the institution was entitled under this chapter during the previous biennium.

**SECTION 34. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**15-54.1-02. Capital building funds - Uses - Reports.**

Subject to tier II and tier III capital building fund matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for projects specifically authorized by the legislative assembly to use university system capital building fund moneys. In addition, after an institution has matched and committed seventy-five percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to state board of higher education approval and matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for extraordinary repairs and deferred maintenance projects for academic and student housing facilities that do not increase the overall square footage of a building. The state board of higher education shall report biennially to the legislative management and to the appropriations committees of the legislative assembly on the use of funding in the university system capital building fund, the source of matching funds, and each institution's five-year plan for capital construction spending.

**SECTION 35. AMENDMENT.** Subsection 1 of section 15-62.4-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state board of higher education shall provide to each eligible student a financial assistance grant in an amount not exceeding:

a. One thousand ~~one hundred~~six hundred fifty dollars per semester; or

b. ~~Seven hundred thirty-three~~One thousand one hundred dollars per quarter.

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**SECTION 36. AMENDMENT.** Subdivision c of subsection 2 of section 54-07-12 of the North Dakota Century Code is amended and reenacted as follows:

c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota, of which two million dollars is for the purpose of ~~creating an endowment to digitize~~digitizing documents relating to Theodore Roosevelt and eight million dollars is for the purpose of creating an endowment for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

**SECTION 37. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2023~~2025)**

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.

2. Major repair or improvement projects.

3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.

4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.

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6. Authorized ongoing information technology projects.

**Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, ~~2023~~2025)** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**SECTION 38. REPEAL.** Sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code are repealed."

Page 8, after line 22, insert:

"**SECTION 41. EXEMPTION - CAPITAL BUILDING FUND - LAKE REGION STATE COLLEGE - ESTIMATED INCOME.** The estimated income line item in subdivision 3 of section 1 of this Act includes $600,000 from the Lake Region state college allocation in the university system capital building fund. This amount is for the replacement of the wind turbine gear box and is not subject to matching requirements under chapter 15-54.1.

**SECTION 42. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts remaining from the $49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 43. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amounts appropriated from federal funds derived from the state fiscal recovery fund to the state board of higher education and institutions under the control of the state board of higher education in section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and programs are available for the projects and programs during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 44. TUITION RATE INCREASE LIMITATIONS.**

1. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

2. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

5. This section does not apply to tuition rates for nonresident students attending institutions of higher education under the control of the state board of higher education. For purposes of this section, the residency of students for tuition purposes must be determined under section 15-10-19.1.

6. This section does not apply to tuition rates determined under tuition reciprocity agreements entered into by the state board of higher education with other states or state education compacts.

7. For purposes of this section, an institution must calculate a resident tuition rate increase based on the tuition rate paid by an average full-time resident student.

**SECTION 45. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-eighth legislative assembly that dental hygienist courses be transferred to the career and technical education instructional program classification within the higher education funding formula.

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**SECTION 46. EMERGENCY.** Section 35 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of House Action**

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | | | |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| General fund | $116,898,476 | $93,179,187 | $210,077,663 |
| FTE | 158.83 | 4.00 | 162.83 |
| Bismarck State College | | | |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| General fund | $32,084,055 | $4,118,929 | $36,202,984 |
| FTE | 332.90 | 2.43 | 335.33 |
| Lake Region State College | | | |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| General fund | $14,242,152 | $967,690 | $15,209,842 |
| FTE | 115.76 | 4.83 | 120.59 |
| Williston State College | | | |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| General fund | $11,286,737 | $1,872,380 | $13,159,117 |
| FTE | 101.29 | 1.54 | 102.83 |
| University of North Dakota | | | |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| General fund | $150,927,125 | $72,802,227 | $223,729,352 |
| FTE | 2,059.98 | 0.58 | 2,060.56 |
| UND Medical Center | | | |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| General fund | $68,122,959 | $12,013,712 | $80,136,671 |
| FTE | 492.67 | (3.84) | 488.83 |
| North Dakota State University | | | |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| General fund | $138,431,325 | $25,959,623 | $164,390,948 |
| FTE | 1,829.43 | 38.07 | 1,867.50 |
| State College of Science | | | |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |

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| | | | |
|---|---|---|---|
| General fund | $35,714,792 | $2,598,858 | $38,313,650 |
| FTE | 311.61 | 2.34 | 313.95 |
| Dickinson State University | | | |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| General fund | $20,242,730 | $3,661,077 | $23,903,807 |
| FTE | 175.50 | 2.50 | 178.00 |
| Mayville State University | | | |
| Total all funds | $50,962,268 | $54,855,978 | $105,818,246 |
| Less estimated income | 32,282,440 | 51,733,204 | 84,015,644 |
| General fund | $18,679,828 | $3,122,774 | $21,802,602 |
| FTE | 230.35 | (3.43) | 226.92 |
| Minot State University | | | |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| General fund | $41,206,630 | $6,190,163 | $47,396,793 |
| FTE | 403.04 | 20.59 | 423.63 |
| Valley City State University | | | |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| General fund | $24,161,377 | $3,425,923 | $27,587,300 |
| FTE | 202.77 | 9.17 | 211.94 |
| Dakota College at Bottineau | | | |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| General fund | $9,537,862 | $1,653,513 | $11,191,375 |
| FTE | 91.86 | (7.86) | 84.00 |
| Forest Service | | | |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| General fund | $4,792,478 | $783,043 | $5,575,521 |
| FTE | 28.00 | 1.00 | 29.00 |
| Bill total | | | |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| Less estimated income | 1,926,770,039 | 596,775,029 | 2,523,545,068 |
| General fund | $686,328,526 | $232,349,099 | $918,677,625 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

## House Bill No. 1003 - North Dakota University System - General Fund Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $116,898,476 | $93,179,187 | $210,077,663 |
| Bismarck State College | 32,084,055 | 4,118,929 | 36,202,984 |
| Lake Region State College | 14,242,152 | 967,690 | 15,209,842 |
| Williston State College | 11,286,737 | 1,872,380 | 13,159,117 |
| University of North Dakota | 150,927,125 | 72,802,227 | 223,729,352 |
| UND Medical Center | 68,122,959 | 12,013,712 | 80,136,671 |
| North Dakota State University | 138,431,325 | 25,959,623 | 164,390,948 |
| State College of Science | 35,714,792 | 2,598,858 | 38,313,650 |
| Dickinson State University | 20,242,730 | 3,661,077 | 23,903,807 |
| Mayville State University | 18,679,828 | 3,122,774 | 21,802,602 |
| Minot State University | 41,206,630 | 6,190,163 | 47,396,793 |
| Valley City State University | 24,161,377 | 3,425,923 | 27,587,300 |
| Dakota College at Bottineau | 9,537,862 | 1,653,513 | 11,191,375 |
| Forest Service | 4,792,478 | 783,043 | 5,575,521 |
| Total general fund | $686,328,526 | $232,349,099 | $918,677,625 |

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## Detail of House Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $93,179,187 | | | | | |
| Bismarck State College | | $3,914,929 | | | $204,000 | |
| Lake Region State College | | 858,690 | | | 109,000 | |
| Williston State College | | 1,703,240 | | | 169,140 | |
| University of North Dakota | | 23,941,127 | | $3,201,100 | 660,000 | |
| UND Medical Center | | 12,013,712 | | | | |
| North Dakota State University | | 16,858,523 | | 3,201,100 | 1,100,000 | |
| State College of Science | | 2,412,108 | | | 186,750 | |
| Dickinson State University | | 3,334,077 | | | 327,000 | |
| Mayville State University | | 2,814,040 | | | 308,734 | |
| Minot State University | | 6,020,163 | | | 170,000 | |
| Valley City State University | | 3,189,923 | | | 236,000 | |
| Dakota College at Bottineau | | 1,483,513 | | | 170,000 | |
| Forest Service | | | | | | |
| Total general fund | $93,179,187 | $78,544,045 | $0 | $6,402,200 | $3,640,624 | $0 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total the General Fund Changes |
|---|---|---|---|
| University System Office | | | $93,179,187 |
| Bismarck State College | | | 4,118,929 |
| Lake Region State College | | | 967,690 |
| Williston State College | | | 1,872,380 |
| University of North Dakota | $45,000,000 | | 72,802,227 |
| UND Medical Center | | | 12,013,712 |
| North Dakota State University | 4,800,000 | | 25,959,623 |
| State College of Science | | | 2,598,858 |
| Dickinson State University | | | 3,661,077 |
| Mayville State University | | | 3,122,774 |
| Minot State University | | | 6,190,163 |
| Valley City State University | | | 3,425,923 |
| Dakota College at Bottineau | | | 1,653,513 |
| Forest Service | | $783,043 | 783,043 |
| Total general fund | $49,800,000 | $783,043 | $232,349,099 |

## House Bill No. 1003 - North Dakota University System - Other Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $25,757,035 | $872,198 | $26,629,233 |
| Bismarck State College | 70,409,893 | 34,400,734 | 104,810,627 |
| Lake Region State College | 25,271,428 | 1,655,128 | 26,926,556 |
| Williston State College | 24,019,535 | 44,830,555 | 68,850,090 |
| University of North Dakota | 755,657,771 | 218,613,966 | 974,271,737 |
| UND Medical Center | 160,806,249 | 5,782,718 | 166,588,967 |
| North Dakota State University | 625,417,100 | 130,501,035 | 755,918,135 |
| State College of Science | 60,845,052 | 22,212,951 | 83,058,003 |
| Dickinson State University | 30,992,408 | 19,421,619 | 50,414,027 |
| Mayville State University | 32,282,440 | 51,733,204 | 84,015,644 |
| Minot State University | 64,047,767 | 15,504,561 | 79,552,328 |
| Valley City State University | 26,377,846 | 36,936,844 | 63,314,690 |
| Dakota College at Bottineau | 14,216,200 | 5,839,622 | 20,055,822 |
| Forest Service | 10,669,315 | 8,469,894 | 19,139,209 |
| Total other funds | $1,926,770,039 | $596,775,029 | $2,523,545,068 |

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## Detail of House Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $872,198 | | | | | |
| Bismarck State College | | | $2,900,734 | | | $31,500,000 |
| Lake Region State College | | | 1,055,128 | | | 600,000 |
| Williston State College | | | 916,616 | | | 43,913,939 |
| University of North Dakota | | | 28,613,966 | | | 190,000,000 |
| UND Medical Center | | | 5,782,718 | | | |
| North Dakota State University | | | 23,501,035 | | | 107,000,000 |
| State College of Science | | | 2,237,951 | | | 19,975,000 |
| Dickinson State University | | | 1,421,619 | | | 18,000,000 |
| Mayville State University | | | 1,763,104 | | | 49,970,100 |
| Minot State University | | | 3,639,561 | | | 11,865,000 |
| Valley City State University | | | 1,436,844 | | | 35,500,000 |
| Dakota College at Bottineau | | | 539,622 | | | 5,300,000 |
| Forest Service | | | | | | |
| Total other funds | $872,198 | $0 | $73,808,898 | $0 | $0 | $513,624,039 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total Other Funds Changes |
|---|---|---|---|
| University System Office | | | $872,198 |
| Bismarck State College | | | 34,400,734 |
| Lake Region State College | | | 1,655,128 |
| Williston State College | | | 44,830,555 |
| University of North Dakota | | | 218,613,966 |
| UND Medical Center | | | 5,782,718 |
| North Dakota State University | | | 130,501,035 |
| State College of Science | | | 22,212,951 |
| Dickinson State University | | | 19,421,619 |
| Mayville State University | | | 51,733,204 |
| Minot State University | | | 15,504,561 |
| Valley City State University | | | 36,936,844 |
| Dakota College at Bottineau | | | 5,839,622 |
| Forest Service | | $8,469,894 | 8,469,894 |
| Total other funds | $0 | $8,469,894 | $596,775,029 |

## House Bill No. 1003 - North Dakota University System - All Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $142,655,511 | $94,051,385 | $236,706,896 |
| Bismarck State College | 102,493,948 | 38,519,663 | 141,013,611 |
| Lake Region State College | 39,513,580 | 2,622,818 | 42,136,398 |
| Williston State College | 35,306,272 | 46,702,935 | 82,009,207 |
| University of North Dakota | 906,584,896 | 291,416,193 | 1,198,001,089 |
| UND Medical Center | 228,929,208 | 17,796,430 | 246,725,638 |
| North Dakota State University | 763,848,425 | 156,460,658 | 920,309,083 |
| State College of Science | 96,559,844 | 24,811,809 | 121,371,653 |
| Dickinson State University | 51,235,138 | 23,082,696 | 74,317,834 |
| Mayville State University | 50,962,268 | 54,855,978 | 105,818,246 |
| Minot State University | 105,254,397 | 21,694,724 | 126,949,121 |
| Valley City State University | 50,539,223 | 40,362,767 | 90,901,990 |
| Dakota College at Bottineau | 23,754,062 | 7,493,135 | 31,247,197 |
| Forest Service | 15,461,793 | 9,252,937 | 24,714,730 |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

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## Detail of House Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $94,051,385 | | | | | |
| Bismarck State College | | $3,914,929 | $2,900,734 | | $204,000 | $31,500,000 |
| Lake Region State College | | 858,690 | 1,055,128 | | 109,000 | 600,000 |
| Williston State College | | 1,703,240 | 916,616 | | 169,140 | 43,913,939 |
| University of North Dakota | | 23,941,127 | 28,613,966 | $3,201,100 | 660,000 | 190,000,000 |
| UND Medical Center | | 12,013,712 | 5,782,718 | | | |
| North Dakota State University | | 16,858,523 | 23,501,035 | 3,201,100 | 1,100,000 | 107,000,000 |
| State College of Science | | 2,412,108 | 2,237,951 | | 186,750 | 19,975,000 |
| Dickinson State University | | 3,334,077 | 1,421,619 | | 327,000 | 18,000,000 |
| Mayville State University | | 2,814,040 | 1,763,104 | | 308,734 | 49,970,100 |
| Minot State University | | 6,020,163 | 3,639,561 | | 170,000 | 11,865,000 |
| Valley City State University | | 3,189,923 | 1,436,844 | | 236,000 | 35,500,000 |
| Dakota College at Bottineau | | 1,483,513 | 539,622 | | 170,000 | 5,300,000 |
| Forest Service | | | | | | |
| Total all funds | $94,051,385 | $78,544,045 | $73,808,898 | $6,402,200 | $3,640,624 | $513,624,039 |
| FTE | 4.00 | 0.00 | 66.92 | 0.00 | 0.00 | 0.00 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total All Funds Changes |
|---|---|---|---|
| University System Office | | | $94,051,385 |
| Bismarck State College | | | 38,519,663 |
| Lake Region State College | | | 2,622,818 |
| Williston State College | | | 46,702,935 |
| University of North Dakota | $45,000,000 | | 291,416,193 |
| UND Medical Center | | | 17,796,430 |
| North Dakota State University | 4,800,000 | | 156,460,658 |
| State College of Science | | | 24,811,809 |
| Dickinson State University | | | 23,082,696 |
| Mayville State University | | | 54,855,978 |
| Minot State University | | | 21,694,724 |
| Valley City State University | | | 40,362,767 |
| Dakota College at Bottineau | | | 7,493,135 |
| Forest Service | | $9,252,937 | 9,252,937 |
| Total all funds | $49,800,000 | $9,252,937 | $829,124,128 |
| FTE | 0.00 | 1.00 | 71.92 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | 4.00 | $74,578 | | $74,578 |
| Salary increase | | 398,183 | $16,289 | 414,472 |
| Health insurance increase | | 112,614 | 5,262 | 117,876 |
| Financial aid staff | | 125,000 | | 125,000 |
| New financial aid system ongoing costs | | 273,180 | | 273,180 |
| New financial aid system one-time costs | | 1,554,354 | | 1,554,354 |
| Capitol space rent model | | 143,625 | | 143,625 |
| Total | 4.00 | $2,681,534 | $21,551 | $2,703,085 |

The following schedule details funding adjustments for Core Technology Services:

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**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Base payroll changes | $137,190 | $82,198 | $219,388 |
| Salary increase | 1,041,551 | 525,737 | 1,567,288 |
| Health insurance increase | 395,293 | 242,712 | 638,005 |
| Software and a security operations center | 4,500,000 | | 4,500,000 |
| Replace funding from tuition for salaries and wages | 939,310 | | 939,310 |
| Total | $7,013,344 | $850,647 | $7,863,991 |

The following schedule details funding for inflationary passthrough grants:

| | General Fund |
|---|---|
| Fort Abraham Lincoln Foundation Heritage River Landing | $500,000 |
| Bismarck State College polytechnic building | 10,000,000 |
| Minot children's science center | 1,000,000 |
| Dickinson State University projects and document digitization | 3,600,000 |
| North Dakota Gateway to Science | 5,000,000 |
| Total passthrough grants | $20,100,000 |

The following schedule details funding adjustments in other line items in the University System office budget:

| | Base Level | General Fund Adjustment | House Version |
|---|---|---|---|
| Capital assets - Bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Challenge grants (one-time) | 0 | 36,000,000 | 36,000,000 |
| Dakota Digital Academy (one-time) | 0 | 450,000 | 450,000 |
| Workforce education innovation (one-time) | 0 | 10,000,000 | 10,000,000 |
| Single parent support (one-time) | 0 | 4,500,000 | 4,500,000 |
| Total | $55,352,517 | $63,384,309 | $118,736,826 |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

| | Credit-Hour Completion Adjustment | Formula Adjustment | Hold Harmless | Cost to Continue | Salary Increase | Health Insurance Increase | Total Increase |
|---|---|---|---|---|---|---|---|
| Bismarck State College | ($843,194) | $1,306,862 | | $156,583 | $2,043,190 | $1,251,488 | $3,914,929 |
| Dakota College at Bottineau | 428,768 | | | 49,819 | 696,639 | 308,287 | 1,483,513 |
| Lake Region State College | (1,157,713) | 412,756 | $175,271 | 65,404 | 894,717 | 468,255 | 858,690 |
| State College of Science | (4,001,780) | 2,765,148 | | 156,925 | 2,367,340 | 1,124,475 | 2,412,108 |
| Williston State College | 137,487 | 322,613 | | 57,105 | 866,939 | 319,096 | 1,703,240 |
| Dickinson State University | 998,877 | | | 98,272 | 1,450,501 | 786,427 | 3,334,077 |
| Mayville State University | 685,147 | | | 89,590 | 1,365,632 | 673,671 | 2,814,040 |
| Minot State University | 1,342,514 | | | 196,850 | 2,944,280 | 1,536,519 | 6,020,163 |
| Valley City State University | 480,872 | | | 114,005 | 1,635,744 | 959,302 | 3,189,923 |
| North Dakota State University | (7,591,732) | | 2,054,479 | 696,301 | 14,538,568 | 7,160,907 | 16,858,523 |
| University of North Dakota | (1,616,355) | | | 720,276 | 18,985,262 | 5,851,944 | 23,941,127 |
| UND School of Medicine | 1,861,864 | | | 389,953 | 8,400,006 | 1,361,889 | 12,013,712 |
| Total | ($9,275,245) | $4,807,379 | $2,229,750 | $2,791,083 | $56,188,818 | $21,802,260 | $78,544,045 |

Funding is added from the general fund for the 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from $1,429 to $1,648 per month. In addition, approximately $44.7 million from the general fund to pay the tuition portion of a 6 percent and 4 percent salary increase and the tuition portion of the health insurance increase is included in the salary increase and health insurance increase columns.

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[3] The following adjustments are made to institution other funds appropriations and FTE positions:

**FTE Position Adjustments**

| | FTE Positions | Salary Increase | Health Insurance Increase | Other Adjustments | Total |
|---|---|---|---|---|---|
| Bismarck State College | 2.43 | $1,636,581 | $974,448 | $289,705 | $2,900,734 |
| Dakota College at Bottineau | (7.86) | 296,773 | 199,582 | 43,267 | 539,622 |
| Lake Region State College | 4.83 | 618,726 | 336,358 | 100,044 | 1,055,128 |
| State College of Science | 2.34 | 1,250,439 | 800,793 | 186,719 | 2,237,951 |
| Williston State College | 1.54 | 556,396 | 278,619 | 81,601 | 916,616 |
| Dickinson State University | 2.50 | 816,325 | 484,388 | 120,906 | 1,421,619 |
| Mayville State University | (3.43) | 907,083 | 730,912 | 125,109 | 1,763,104 |
| Minot State University | 20.59 | 2,113,443 | 1,193,878 | 332,240 | 3,639,561 |
| Valley City State University | 9.17 | 777,588 | 539,086 | 120,170 | 1,436,844 |
| North Dakota State University | 38.07 | 13,934,225 | 7,487,950 | 2,078,860 | 23,501,035 |
| University of North Dakota | 0.58 | 17,040,090 | 8,846,162 | 2,727,714 | 28,613,966 |
| UND School of Medicine | (3.84) | 3,786,917 | 1,405,057 | 590,744 | 5,782,718 |
| Total | 66.92 | $43,734,586 | $23,277,233 | $6,797,079 | $73,808,898 |

[4] One-time funding of $3,640,624 is added for the behavioral health initiative.

[5] One-time funding is added for the following capital building projects:

| | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|
| BSC multipurpose academic and athletic center | $29,900,000 | $1,600,000 | $31,500,000 |
| LRSC wind turbine gearbox | | 600,000 | 600,000 |
| WSC medical healthcare building | 34,750,000 | 1,850,000 | 36,600,000 |
| WSC turf project | | 7,313,939 | 7,313,939 |
| UND EERC facility | | 33,000,000 | 33,000,000 |
| UND science, engineering, and national security corridor | 57,400,000 | 24,600,000 | 82,000,000 |
| UND science, technology, engineering, and math building | 52,000,000 | 23,000,000 | 75,000,000 |
| NDSU music building | | 20,000,000 | 20,000,000 |
| NDSU Sudro Hall expansion | | 3,000,000 | 3,000,000 |
| NDSU center for engineering and computational sciences | 59,000,000 | 25,000,000 | 84,000,000 |
| NDSCS agriculture, automation, and autonomous systems building | 18,975,000 | 1,000,000 | 19,975,000 |
| DSU agriculture and technical education building | 17,100,000 | 900,000 | 18,000,000 |
| MaSU Old Main renovation | 49,970,100 | | 49,970,100 |
| MiSU Dakota Hall demolition | 765,000 | | 765,000 |
| MiSU academic building | 7,600,000 | 400,000 | 8,000,000 |
| MiSU student center renovation | | 3,100,000 | 3,100,000 |
| VCSU Osmon Fieldhouse addition | | 20,000,000 | 20,000,000 |
| VCSU Student Center renovation | | 2,000,000 | 2,000,000 |
| VCSU McCarthy Hall | 11,500,000 | 2,000,000 | 13,500,000 |
| DCB Old Main renovation | 4,300,000 | 1,000,000 | 5,300,000 |
| Total capital projects | $343,260,100 | $170,363,939 | $513,624,039 |

[6] One-time funding of $49.8 million from the general fund is added for the UND national security initiative ($45 million) and NDSU workforce education ($4.8 million).

[7] The following funding adjustments are made for the Forest Service:

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**Forest Service**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | | $30,847 | | $30,847 |
| Salary increase of 4 percent per year | | 233,644 | $6,491 | 240,135 |
| Health insurance increase to $1,648 per month | | 131,552 | 5,262 | 136,814 |
| Towner state nursery | | | 200,000 | 200,000 |
| Cooperative fire protection initiative | 1.00 | 187,000 | | 187,000 |
| Forest recreation enhancements | | 200,000 | | 200,000 |
| Grant funding to enhance services | | | 8,258,141 | 8,258,141 |
| Total | 1.00 | $783,043 | $8,469,894 | $9,252,937 |

## House Bill No. 1003 - Other Changes - House Action

This amendment also adds sections to:

- Identify $293,290,000 for various institution capital projects is from SIIF;
- Identify $4.8 million from the general fund appropriated to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs;
- Identify $4.5 million from the general fund appropriated to the University System office is for support for single mothers;
- Provide for a transfer of $367,000 from University System office carryover to NDSU operations for the costs of a severance package;
- Provide future severance agreements be paid from the University System office budget;
- Provide for $1.5 million from Bank of North Dakota profits for the dual-credit tuition scholarship program;
- Continue and expand the career builders program and to provide $15 million from Bank of North Dakota profits for the program;
- Continue the capital building fund program and to provide $29 million from SIIF for the program;
- Restrict the State Board of Higher Education from requesting funding for capital projects from the 69th Legislative Assembly;
- Provide for an annual report to the Budget Section on higher education trends;
- Require the approval of requests for new academic programs within 30 days;
- Require the State Board of Higher Education to provide a disclosure of financial condition to final applicants for the position of president;
- Continue the challenge grant program and to provide $36 million from the general fund for the program;
- Replace the Workforce Education Advisory Council with the Workforce Development Council;
- Require institutions to identify local matching funds for capital project requests;
- Amend the higher education funding formula, including to increase funding for career and technical education credits and to restore the minimum amount payable;
- Increase the maximum award under the student financial assistance grant program;
- Allow Dickinson State University to use funds donated for the digitization of documents relating to Theodore Roosevelt without establishing an endowment;
- Allow the University System to continue unexpended appropriations into the 2023-25 biennium;
- Allow Lake Region State College to use funds from the University System capital building fund to replace a wind turbine gearbox without providing matching funds;
- Allow institutions to continue appropriation authority for various capital projects into the 2023-25 biennium; and
- Limit tuition increases.

**REPORT OF STANDING COMMITTEE**

**HB 1003: Appropriations Committee (Rep. Vigesaa, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1003 was placed on the Sixth order on the calendar.

Page 1, line 2, after the first semicolon insert "to create and enact five new sections to chapter 15-10 and section 15-18.2-06.1 of the North Dakota Century Code, relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; to amend and reenact sections 15-10-38.1, 15-10-38.2, 15-10-38.3, subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-49, subsection 2 of section 15-10-49, sections 15-10-57 and 15-10-63, subdivision k of subsection 1 of section 15-18.2-02, subsection 1 of section 15-18.2-05, section 15-54.1-02, subsection 1 of section 15-62.4-03, subdivision c of subsection 2 of section 54-07-12, and section 54-44.1-11 of the North Dakota Century Code, relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; to repeal sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code, relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program;"

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; to provide legislative intent; and to declare an emergency"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 30

Page 7, replace lines 1 and 2 with:

"

NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 2,703,085 | 11,308,655 |
| Core technology services | 62,962,817 | 7,863,991 | 70,826,808 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |

| | | | |
|---|---|---|---|
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 36,000,000 | 36,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 | 4,500,000 |
| Inflationary passthrough grants | 0 | 20,100,000 | 20,100,000 |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| Total general fund | $116,898,476 | $93,179,187 | $210,077,663 |
| Full-time equivalent positions | 158.83 | 4.00 | 162.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $6,815,663 | $107,387,050 |
| Capital assets | 1,922,561 | 31,500,000 | 33,422,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| Total general fund | $32,084,055 | $4,118,929 | $36,202,984 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $1,913,818 | $41,064,731 |
| Capital assets | 362,667 | 600,000 | 962,667 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| Total general fund | $14,242,152 | $967,690 | $15,209,842 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,619,856 | $36,664,160 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| Total general fund | $11,286,737 | $1,872,380 | $13,159,117 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $52,555,093 | $954,728,423 |
| Capital assets | 4,411,566 | 190,000,000 | 194,411,566 |
| National security initiative | 0 | 45,000,000 | 45,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| Total general fund | $150,927,125 | $72,802,227 | $223,729,352 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $40,359,558 | $796,408,879 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Workforce education | 0 | 4,800,000 | 4,800,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| Total general fund | $138,431,325 | $25,959,623 | $164,390,948 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $4,650,059 | $100,197,524 |
| Capital assets | 1,012,379 | 19,975,000 | 20,987,379 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |
| Total general fund | $35,714,792 | $2,598,858 | $38,313,650 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $4,755,696 | $55,581,756 |
| Capital assets | 409,078 | 18,000,000 | 18,409,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| Total general fund | $20,242,730 | $3,661,077 | $23,903,807 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $4,577,144 | $55,180,420 |
| Capital assets | 358,992 | 0 | 358,992 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $4,885,878 | $55,848,146 |
| Less estimated income | 32,282,440 | 1,763,104 | 34,045,544 |
| Total general fund | $18,679,828 | $3,122,774 | $21,802,602 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $9,659,724 | $113,814,501 |
| Capital assets | 1,099,620 | 11,865,000 | 12,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| Total general fund | $41,206,630 | $6,190,163 | $47,396,793 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $4,626,767 | $54,710,167 |
| Capital assets | 455,823 | 35,500,000 | 35,955,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| Total general fund | $24,161,377 | $3,425,923 | $27,587,300 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,023,135 | $25,663,190 |
| Capital assets | 114,007 | 5,300,000 | 5,414,007 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| Total general fund | $9,537,862 | $1,653,513 | $11,191,375 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $17,796,430 | $236,049,488 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |

| | | | |
|---|---|---|---|
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| Total general fund | $68,122,959 | $12,013,712 | $80,136,671 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,252,937 | $24,596,002 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| Total general fund | $4,792,478 | $783,043 | $5,575,521 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $232,349,099 | $918,677,625 |
| Grand total special funds | 1,926,770,039 | 546,804,929 | 2,473,574,968 |
| Grand total all funds | $2,613,098,565 | $779,154,028 | $3,392,252,593" |

Page 7, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 7, line 4, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 7, replace line 6 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $293,290,000 |
| Capital projects - other funds | 4,363,000 | 170,363,939 |
| University of North Dakota national security initiative | 0 | 45,000,000 |
| North Dakota state university workforce education | 0 | 4,800,000" |

Page 7, replace lines 22 through 26 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 36,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 |
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,554,354 |
| Passthrough grants | 0 | 20,100,000 |
| Total all funds | $207,876,121 | $589,698,917 |
| Total other funds | 190,851,121 | 463,653,939 |
| Total general fund | $17,025,000 | $126,044,978 |

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The state board of higher education shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 7, line 28, after "**APPROPRIATION**" insert "**- EXEMPTION**"

Page 8, line 5, after the period insert "Notwithstanding section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts appropriated in sections 1 and 4 of this Act may spend those funds for the capital project.

**SECTION 4. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - MAYVILLE STATE UNIVERSITY - OLD MAIN RENOVATION - ONE-TIME FUNDING.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of $49,970,100, or so much of the sum as may be necessary, to Mayville state university for the purpose of renovating old main, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Page 8, line 8, after the second "institution" insert ", excluding the university of North Dakota and North Dakota state university,"

Page 8, line 8, replace "two dollars" with "one dollar"

Page 8, line 10, after the period insert "The university of North Dakota and North Dakota state university shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The grand total special funds line item in subdivision 15 of section 1 of this Act includes $293,290,000 from the strategic investment and improvements fund for capital projects as follows:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $29,900,000 |
| Williston state college medical healthcare building | 34,750,000 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| University of North Dakota science, technology, engineering, and math building | 52,000,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 18,975,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Minot state university academic building | 7,600,000 |
| Valley City state university McCarthy hall renovation | 11,500,000 |
| Dakota college at Bottineau old main renovation | 4,300,000 |
| Total strategic investment and improvements fund | $293,290,000 |

**SECTION 7. NORTH DAKOTA STATE UNIVERSITY - WORKFORCE EDUCATION - REPORT.** The appropriation in subdivision 6 of section 1 of this Act includes $4,800,000 from the general fund for North Dakota state university for the purpose of creating or expanding programs and enrollment initiatives, as identified by the North Dakota state university president, to address the workforce needs of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding may only be used to create or expand programs and initiatives and may not be used for programs that have been closed or reduced by North Dakota state university since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding identified in this section.

**SECTION 8. STUDENT SUPPORT FOR SINGLE MOTHERS - PILOT PROGRAM - REPORT.**

1. The appropriation in subdivision 1 of section 1 of this Act includes the sum of $4,500,000 from the general fund for the purpose of supporting

single mothers, for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. The state board of higher education may provide up to $250,000 to each institution under its control, each tribally controlled community college in this state, the university of Jamestown, and the university of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.

3. An eligible institution in subsection 2 must submit an application to the state board of higher education in order to receive funding under this section. The application must include the institution's plan identifying how the funding would benefit students enrolled at the institution, the estimated number of students impacted, and the estimated cost.

4. A student enrolled at an eligible institution in subsection 2 is eligible for support under this section if the student is residing in this state and is:

   a. An unmarried pregnant individual who is experiencing an unintended pregnancy;

   b. An unmarried mother who experienced an unintended birth while attending the institution; or

   c. An unmarried mother with a child or children under four years of age.

5. Funding awarded under this section may be used for on-campus room and board and the costs of providing on-campus day care for the children of students eligible pursuant to subsection 4.

6. If any available dollars have not been granted to an institution by the board before December 31, 2024, the board may allow institutions in subsection 2 to submit applications for any unused funding for the purposes of this section.

7. The state board of higher education may adopt policies and procedures as necessary to enact this section.

8. The state board of higher education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the results of this program, including the number of students assisted at each institution.

**SECTION 9. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - NORTH DAKOTA STATE UNIVERSITY.** Of the funding appropriated in subdivision 1 of section 1 of chapter 31 of the 2021 Session Laws for the biennium beginning July 1, 2021, and ending June 30, 2023, that is continued pursuant to section 54-44.1-11, the state board of higher education shall transfer $367,000 to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

**SECTION 10. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North Dakota university system office a total of $1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. The estimated income line item in subdivision 1 of section 1 includes $1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

**SECTION 11. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce student loan repayment program fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 12. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget shall transfer $29,000,000 from the strategic investment and improvements fund to the university system capital building fund during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

| | Tier II | Tier III | Total |
|---|---|---|---|
| Bismarck state college | $851,386 | $500,000 | $1,351,386 |
| Lake Region state college | 354,750 | 500,000 | 854,750 |
| Williston state college | 275,894 | 500,000 | 775,894 |
| University of North Dakota | 8,723,602 | 2,250,000 | 10,973,602 |
| North Dakota state university | 5,799,192 | 2,250,000 | 8,049,192 |
| North Dakota state college of science | 1,001,390 | 500,000 | 1,501,390 |
| Dickinson state university | 537,724 | 500,000 | 1,037,724 |
| Mayville state university | 480,058 | 500,000 | 980,058 |
| Minot state university | 1,145,602 | 500,000 | 1,645,602 |
| Valley City state university | 618,274 | 500,000 | 1,118,274 |
| Dakota college at Bottineau | 212,128 | 500,000 | 712,128 |
| Total | $20,000,000 | $9,000,000 | $29,000,000 |

**SECTION 14. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-eighth legislative assembly:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $31,500,000 |
| Lake region state college wind turbine gearbox replacement | 600,000 |
| Williston state college medical healthcare building | 36,600,000 |
| University of North Dakota science, engineering, and national security corridor | 82,000,000 |
| University of North Dakota science, technology, engineering, and math building | 75,000,000 |
| North Dakota state university center for engineering and computational sciences | 84,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 19,975,000 |
| Dickinson state university agriculture and technical education building | 18,000,000 |
| Minot state university academic building | 8,000,000 |
| Valley City state university McCarthy hall renovation | 13,500,000 |
| Dakota college at Bottineau old main renovation | 5,300,000 |
| Total | $374,475,000 |

**SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE INTENT.**

1. The state board of higher education may not include requests for any state funds for capital projects in its budget request submitted to the sixty-ninth legislative assembly. The state board of higher education may request other funds appropriation authority from the sixty-ninth legislative

assembly for projects funded from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds.

2. It is the intent of the sixty-eighth legislative assembly that this Act includes all capital projects to be appropriated funding from the state, excluding projects that receive funding solely from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds, during the period beginning July 1, 2023, and ending June 30, 2027.

3. An institution must have possession of local matching funds allocated to a project prior to expending any funding from the strategic investment and improvements fund for the project.

4. If an institution is unable to provide the appropriated amount of matching funds for a capital project provided for in this Act, the institution may only spend a proportional amount of funding from the strategic investment and improvements fund for the project. If an institution is unable to provide necessary matching funds by June 30, 2027, to complete the project in whole or in part, the appropriation from the strategic investment and improvements fund must be canceled.

5. Any inflationary or other costs associated with previously approved projects must be paid from the institution's local funds or the institution's allocation in the university system capital building fund.

**SECTION 16. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

**SECTION 17. UNIVERSITY OF NORTH DAKOTA - SCHOOL OF MEDICINE AND HEALTH SCIENCES - OPERATIONS.** The operations line items in subdivision 5 and 13 of section 1 of this Act include a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2023, and ending June 30, 2025. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

**SECTION 18.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**State commissioner of higher education - Higher education trends - Report to budget section.**

The state commissioner of higher education shall provide an annual report to the budget section regarding trends in higher education, including state and regional student enrollment, North Dakota university system institution reserves, state and regional tuition rates, state and regional student financial assistance, and the North Dakota university system's response to the trends and changes, including new or expanded educational programs, closed programs, and future budget requests.

**SECTION 19.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Severance agreements - Funding - Emergency commission and budget section approval.**

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement. Emergency commission and budget section approval is required before the board may expend any funds pursuant to this section. When considering the request, the budget section shall consider the amount obligated to the individual named in the severance agreement pursuant to the individual's employment contract with the board or institution under the control of the board, the cost of the severance agreement, and the justification for the severance agreement provided by the board.

**SECTION 20.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Academic program approval.**

The state board of higher education shall approve or deny a request from an institution under its control for a new or expanded academic program within thirty days of the institution submitting its request for the program to the commissioner of higher education.

**SECTION 21.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Disclosure of financial condition.**

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher education may require the qualified applicants to sign a nondisclosure agreement prior to receiving the disclosure of financial condition.

**SECTION 22.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Campus policies and procedures.**

The president of an institution under the control of the state board of higher education may adopt policies, procedures, and directives for the institution, with input but no authoritative control from faculty and others through shared governance. The commissioner of higher education and the state board of higher education may overturn or amend the president's policies, procedures, and directives.

**SECTION 23. AMENDMENT.** Section 15-10-38.1 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce student loan repayment program fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce student loan repayment program fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and loan repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of distributing

student loan repayment grants directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The state board of higher education may transfer money between this fund and the skilled workforce scholarship fund established in section 15-10-38.2.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce student loan repayment program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. Graduates of degree or certificate programs from institutions or entities in any state may apply for the skilled workforce student loan repayment program. To be eligible to receive student loan repayment grants under the program, the applicant:

   a. Must have successfully completed an educational program from an institution of higher education;

   b. Must have a student loan with the Bank of North Dakota or other participating lender;

   c. Following completion of an educational program, must reside and work in this state in an eligible high-demand or emerging occupation; and

   d. Must have met and shall continue to meet any requirements established in applicable state board of higher education procedures.

5. The state board of higher education shall adopt procedures to ensure compliance with residency and occupation requirements after completion of the educational program.

6. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.

7. If an individual is receiving loan forgiveness under any other state program, the individual may not receive a student loan repayment grant under this section during the same application year. ~~An individual who received a skilled workforce scholarship under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~

8. An individual may receive a combined total of no more than seventeen thousand dollars under this section and the skilled workforce scholarship program under section 15-10-38.2.

9. ~~The skilled workforce student loan repayment program must be a joint public and private effort.~~ The state board of higher education shall provide one dollar of funding for each one dollar of ~~funding~~funds raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.

10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The number of applicants, eligible applicants, and applicants receiving awards;

    c. The amount of ~~private funding~~matching funds raised; and

    d. The average and total amounts awarded under the program.

**SECTION 24. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, tribally controlled community colleges, state-approved educator training programs, and North Dakota institutions approved to operate by the North Dakota board of career and technical education. The state board of higher education may transfer money between this fund and the skilled workforce student loan repayment program fund established in section 15-10-38.1.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program is a program resulting in attainment of an associate's degree or lower credential ~~upon successful completion or a~~ program that may be completed within four semesters ~~or,~~ six quarters, or the final two years of a baccalaureate program. A qualifying educational

program also must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.

5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.

6. To be eligible for a scholarship ~~and~~ payment under this section, a student must be enrolled full time in an eligible program and have at least a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.

7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.

8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain either a 2.5 cumulative grade point average or academic progress according to program requirements while enrolled, withdraws voluntarily or involuntarily before the completion of the program for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.

9. The state board of higher education, in conjunction with the Bank of North Dakota, may allow an individual who received payment under this section to delay or cancel repayment under this section due to financial difficulty, military service, death, or total disability.

10. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.

11. ~~The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state.~~The state board of higher education shall provide one dollar of funding for each one dollar raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce scholarship fund.

12. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

a. The eligible high-demand professional and technical skills and emerging occupations;

b. The qualifying educational programs;

c. The number of applicants, eligible applicants, and applicants receiving awards;

d. The amount of ~~private funding~~matching funds raised; and

e. The average and total amounts awarded under the program.

**SECTION 25. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.3. Scholarship and loan forgiveness administrative costs - ~~Continuing appropriation~~. ~~(Effective through July 31, 2023)~~**

The state board of higher education shall retain up to one and one-half percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for promotion and administration of the programs under those sections.

~~**Scholarship and loan forgiveness administrative costs - Continuing appropriation. (Effective after July 31, 2023)** The state board of higher education shall retain up to one-half of one percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for administration of the programs under those sections.~~

**SECTION 26. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to ~~one million seven hundred thousand~~five million dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~one million five hundred thousand~~four million dollars in matching grants ~~for projects at~~each to the university of North Dakota school of medicine and health sciences and the North Dakota state university main research center. Of the amount available to the university of North Dakota, two hundred fifty thousand dollars must be awarded for projects dedicated to projects at the school of law.

**SECTION 27. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to:

(1) ~~Nine hundred fifty thousand~~Three million dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;

(2) ~~Seven hundred thousand~~Two million dollars each to Dickinson state university, Mayville state university, and Valley City state university; and

(3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college.

**SECTION 28. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.

b. An application submitted under this subsection must meet the same criteria as an original application.

c. The board shall prioritize available dollars allocated in paragraph 1 of subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 2 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 3 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of subsection 1.

d. After considering applications pursuant to subdivision c, the board shall consider each application submitted under this subsection in chronological order.

~~d.~~e. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

**SECTION 29. AMENDMENT.** Section 15-10-57 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-57. Unified workforce, vocational, and technical education program system.**

The state board of higher education shall establish and maintain a unified system to offer workforce training, vocational education, and technical education programs at institutions under its control. The board shall periodically review programs offered by institutions under its control and revise program offerings based on the workforce needs of the state identified by the workforce ~~education advisory~~development council. The board shall develop administrative arrangements that make possible the efficient use of facilities and staff. The board shall limit administrative costs by eliminating duplicative administrative positions.

**SECTION 30. AMENDMENT.** Section 15-10-63 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-63. Capital projects.**

1. The university of North Dakota and North Dakota state university shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least thirty percent of the total estimated cost of a capital project request submitted to the legislative assembly.

2. Bismarck state college, lake region state college, Williston state college, the North Dakota state college of science, Dickinson state university, Mayville state university, Minot state university, Valley City state university, and Dakota college at Bottineau shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least five percent of the total estimated cost of a capital project request submitted to the legislative assembly.

3. An institution under the control of the state board of higher education may undertake a facility renovation project only if the project will reduce the deferred maintenance amount of the facility by no less than seventy five percent of the total cost of the renovation. The institution shall maintain documentation that demonstrates the cost and scope of the deferred maintenance reduction that results directly from the renovation. This subsection does not apply to projects undertaken solely to correct building code deficiencies or to installations of infrastructure determined by the board to be essential to the mission of the institution.

~~2.~~4. Facility construction and renovation projects undertaken by an institution under the control of the state board of higher education must conform to campus master plan and space utilization requirements approved by the state board of higher education.

**SECTION 31. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

k. The ~~factors~~factor for credits completed in career and technical education ~~are:~~

~~(1) 3.0 for lower division credits; and~~

~~(2) 5.0 for upper division credits~~is 5.0.

**SECTION 32. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided under subsections 2 and 3, to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.2-03 by a base amount of:

a. ~~$61.81~~$72.39 in the case of North Dakota state university and the university of North Dakota;

b. ~~$92.60~~$102.78 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and

c. ~~$98.84~~$109.30 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.

**SECTION 33.** Section 15-18.2-06.1 of the North Dakota Century Code is created and enacted as follows:

**Base funding - Minimum amount payable.**

Notwithstanding any calculations required by this chapter, during each biennium an institution may not receive less than ninety-six percent of the state aid to which the institution was entitled under this chapter during the previous biennium.

**SECTION 34. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**15-54.1-02. Capital building funds - Uses - Reports.**

Subject to tier II and tier III capital building fund matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for projects specifically authorized by the legislative

assembly to use university system capital building fund moneys. In addition, after an institution has matched and committed seventy-five percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to state board of higher education approval and matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for extraordinary repairs and deferred maintenance projects for academic and student housing facilities that do not increase the overall square footage of a building. The state board of higher education shall report biennially to the legislative management and to the appropriations committees of the legislative assembly on the use of funding in the university system capital building fund, the source of matching funds, and each institution's five-year plan for capital construction spending.

**SECTION 35. AMENDMENT.** Subsection 1 of section 15-62.4-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state board of higher education shall provide to each eligible student a financial assistance grant in an amount not exceeding:

   a. One thousand ~~one hundred~~six hundred fifty dollars per semester; or

   b. ~~Seven hundred thirty-three~~One thousand one hundred dollars per quarter.

**SECTION 36. AMENDMENT.** Subdivision c of subsection 2 of section 54-07-12 of the North Dakota Century Code is amended and reenacted as follows:

   c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota, of which two million dollars is for the purpose of ~~creating an endowment to digitize~~digitizing documents relating to Theodore Roosevelt and eight million dollars is for the purpose of creating an endowment for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

**SECTION 37. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2023~~2025)**

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.

2. Major repair or improvement projects.

3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.

4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.

6. Authorized ongoing information technology projects.

**Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, ~~2023~~2025)** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.

2. Major repair or improvement projects.

3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.

4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.

6. Authorized ongoing information technology projects.

**SECTION 38. REPEAL.** Sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code are repealed."

Page 8, after line 22, insert:

"**SECTION 41. EXEMPTION - CAPITAL BUILDING FUND - LAKE REGION STATE COLLEGE - ESTIMATED INCOME.** The estimated income line item in subdivision 3 of section 1 of this Act includes $600,000 from the Lake Region state college allocation in the university system capital building fund. This amount is for the replacement of the wind turbine gear box and is not subject to matching requirements under chapter 15-54.1.

**SECTION 42. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts remaining from the $49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 43. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amounts appropriated from federal funds derived from the state fiscal recovery fund to the state board of higher education and institutions under the control of the state board of higher education in section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and programs are available for the projects and programs during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 44. TUITION RATE INCREASE LIMITATIONS.**

1. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

2. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

5. This section does not apply to tuition rates for nonresident students attending institutions of higher education under the control of the state board of higher education. For purposes of this section, the residency of students for tuition purposes must be determined under section 15-10-19.1.

6. This section does not apply to tuition rates determined under tuition reciprocity agreements entered into by the state board of higher education with other states or state education compacts.

7. For purposes of this section, an institution must calculate a resident tuition rate increase based on the tuition rate paid by an average full-time resident student.

**SECTION 45. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-eighth legislative assembly that dental hygienist courses be transferred to the career and technical education instructional program classification within the higher education funding formula.

**SECTION 46. EMERGENCY.** Section 35 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of House Action**

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | | | |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| General fund | $116,898,476 | $93,179,187 | $210,077,663 |
| FTE | 158.83 | 4.00 | 162.83 |
| Bismarck State College | | | |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| General fund | $32,084,055 | $4,118,929 | $36,202,984 |
| FTE | 332.90 | 2.43 | 335.33 |
| Lake Region State College | | | |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| General fund | $14,242,152 | $967,690 | $15,209,842 |
| FTE | 115.76 | 4.83 | 120.59 |
| Williston State College | | | |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| General fund | $11,286,737 | $1,872,380 | $13,159,117 |
| FTE | 101.29 | 1.54 | 102.83 |
| University of North Dakota | | | |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| General fund | $150,927,125 | $72,802,227 | $223,729,352 |
| FTE | 2,059.98 | 0.58 | 2,060.56 |
| UND Medical Center | | | |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| General fund | $68,122,959 | $12,013,712 | $80,136,671 |
| FTE | 492.67 | (3.84) | 488.83 |
| North Dakota State University | | | |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| General fund | $138,431,325 | $25,959,623 | $164,390,948 |
| FTE | 1,829.43 | 38.07 | 1,867.50 |
| State College of Science | | | |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |
| General fund | $35,714,792 | $2,598,858 | $38,313,650 |
| FTE | 311.61 | 2.34 | 313.95 |
| Dickinson State University | | | |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |

| | | | |
|---|---|---|---|
| General fund | $20,242,730 | $3,661,077 | $23,903,807 |
| FTE | 175.50 | 2.50 | 178.00 |
| Mayville State University | | | |
| Total all funds | $50,962,268 | $54,855,978 | $105,818,246 |
| Less estimated income | 32,282,440 | 51,733,204 | 84,015,644 |
| General fund | $18,679,828 | $3,122,774 | $21,802,602 |
| FTE | 230.35 | (3.43) | 226.92 |
| Minot State University | | | |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| General fund | $41,206,630 | $6,190,163 | $47,396,793 |
| FTE | 403.04 | 20.59 | 423.63 |
| Valley City State University | | | |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| General fund | $24,161,377 | $3,425,923 | $27,587,300 |
| FTE | 202.77 | 9.17 | 211.94 |
| Dakota College at Bottineau | | | |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| General fund | $9,537,862 | $1,653,513 | $11,191,375 |
| FTE | 91.86 | (7.86) | 84.00 |
| Forest Service | | | |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| General fund | $4,792,478 | $783,043 | $5,575,521 |
| FTE | 28.00 | 1.00 | 29.00 |
| Bill total | | | |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| Less estimated income | 1,926,770,039 | 596,775,029 | 2,523,545,068 |
| General fund | $686,328,526 | $232,349,099 | $918,677,625 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

## House Bill No. 1003 - North Dakota University System - General Fund Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $116,898,476 | $93,179,187 | $210,077,663 |
| Bismarck State College | 32,084,055 | 4,118,929 | 36,202,984 |
| Lake Region State College | 14,242,152 | 967,690 | 15,209,842 |
| Williston State College | 11,286,737 | 1,872,380 | 13,159,117 |
| University of North Dakota | 150,927,125 | 72,802,227 | 223,729,352 |
| UND Medical Center | 68,122,959 | 12,013,712 | 80,136,671 |
| North Dakota State University | 138,431,325 | 25,959,623 | 164,390,948 |
| State College of Science | 35,714,792 | 2,598,858 | 38,313,650 |
| Dickinson State University | 20,242,730 | 3,661,077 | 23,903,807 |
| Mayville State University | 18,679,828 | 3,122,774 | 21,802,602 |
| Minot State University | 41,206,630 | 6,190,163 | 47,396,793 |
| Valley City State University | 24,161,377 | 3,425,923 | 27,587,300 |
| Dakota College at Bottineau | 9,537,862 | 1,653,513 | 11,191,375 |
| Forest Service | 4,792,478 | 783,043 | 5,575,521 |
| Total general fund | $686,328,526 | $232,349,099 | $918,677,625 |

## Detail of House Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $93,179,187 | | | | | |
| Bismarck State College | | $3,914,929 | | | $204,000 | |
| Lake Region State College | | 858,690 | | | 109,000 | |
| Williston State College | | 1,703,240 | | | 169,140 | |
| University of North Dakota | | 23,941,127 | | $3,201,100 | 660,000 | |
| UND Medical Center | | 12,013,712 | | | | |
| North Dakota State University | | 16,858,523 | | 3,201,100 | 1,100,000 | |
| State College of Science | | 2,412,108 | | | 186,750 | |
| Dickinson State University | | 3,334,077 | | | 327,000 | |
| Mayville State University | | 2,814,040 | | | 308,734 | |
| Minot State University | | 6,020,163 | | | 170,000 | |
| Valley City State University | | 3,189,923 | | | 236,000 | |
| Dakota College at Bottineau | | 1,483,513 | | | 170,000 | |
| Forest Service | | | | | | |
| Total general fund | $93,179,187 | $78,544,045 | $0 | $6,402,200 | $3,640,624 | $0 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total the General Fund Changes |
|---|---|---|---|
| University System Office | | | $93,179,187 |
| Bismarck State College | | | 4,118,929 |
| Lake Region State College | | | 967,690 |
| Williston State College | | | 1,872,380 |
| University of North Dakota | $45,000,000 | | 72,802,227 |
| UND Medical Center | | | 12,013,712 |
| North Dakota State University | 4,800,000 | | 25,959,623 |
| State College of Science | | | 2,598,858 |
| Dickinson State University | | | 3,661,077 |
| Mayville State University | | | 3,122,774 |
| Minot State University | | | 6,190,163 |
| Valley City State University | | | 3,425,923 |
| Dakota College at Bottineau | | | 1,653,513 |
| Forest Service | | $783,043 | 783,043 |
| Total general fund | $49,800,000 | $783,043 | $232,349,099 |

## House Bill No. 1003 - North Dakota University System - Other Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $25,757,035 | $872,198 | $26,629,233 |
| Bismarck State College | 70,409,893 | 34,400,734 | 104,810,627 |
| Lake Region State College | 25,271,428 | 1,655,128 | 26,926,556 |
| Williston State College | 24,019,535 | 44,830,555 | 68,850,090 |
| University of North Dakota | 755,657,771 | 218,613,966 | 974,271,737 |
| UND Medical Center | 160,806,249 | 5,782,718 | 166,588,967 |
| North Dakota State University | 625,417,100 | 130,501,035 | 755,918,135 |
| State College of Science | 60,845,052 | 22,212,951 | 83,058,003 |
| Dickinson State University | 30,992,408 | 19,421,619 | 50,414,027 |
| Mayville State University | 32,282,440 | 51,733,204 | 84,015,644 |
| Minot State University | 64,047,767 | 15,504,561 | 79,552,328 |
| Valley City State University | 26,377,846 | 36,936,844 | 63,314,690 |
| Dakota College at Bottineau | 14,216,200 | 5,839,622 | 20,055,822 |
| Forest Service | 10,669,315 | 8,469,894 | 19,139,209 |
| Total other funds | $1,926,770,039 | $596,775,029 | $2,523,545,068 |

## Detail of House Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $872,198 | | | | | |
| Bismarck State College | | | $2,900,734 | | | $31,500,000 |
| Lake Region State College | | | 1,055,128 | | | 600,000 |
| Williston State College | | | 916,616 | | | 43,913,939 |
| University of North Dakota | | | 28,613,966 | | | 190,000,000 |
| UND Medical Center | | | 5,782,718 | | | |
| North Dakota State University | | | 23,501,035 | | | 107,000,000 |
| State College of Science | | | 2,237,951 | | | 19,975,000 |
| Dickinson State University | | | 1,421,619 | | | 18,000,000 |
| Mayville State University | | | 1,763,104 | | | 49,970,100 |
| Minot State University | | | 3,639,561 | | | 11,865,000 |
| Valley City State University | | | 1,436,844 | | | 35,500,000 |
| Dakota College at Bottineau | | | 539,622 | | | 5,300,000 |
| Forest Service | | | | | | |
| Total other funds | $872,198 | $0 | $73,808,898 | $0 | $0 | $513,624,039 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total Other Funds Changes |
|---|---|---|---|
| University System Office | | | $872,198 |
| Bismarck State College | | | 34,400,734 |
| Lake Region State College | | | 1,655,128 |
| Williston State College | | | 44,830,555 |
| University of North Dakota | | | 218,613,966 |
| UND Medical Center | | | 5,782,718 |
| North Dakota State University | | | 130,501,035 |
| State College of Science | | | 22,212,951 |
| Dickinson State University | | | 19,421,619 |
| Mayville State University | | | 51,733,204 |
| Minot State University | | | 15,504,561 |
| Valley City State University | | | 36,936,844 |
| Dakota College at Bottineau | | | 5,839,622 |
| Forest Service | | $8,469,894 | 8,469,894 |
| Total other funds | $0 | $8,469,894 | $596,775,029 |

## House Bill No. 1003 - North Dakota University System - All Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $142,655,511 | $94,051,385 | $236,706,896 |
| Bismarck State College | 102,493,948 | 38,519,663 | 141,013,611 |
| Lake Region State College | 39,513,580 | 2,622,818 | 42,136,398 |
| Williston State College | 35,306,272 | 46,702,935 | 82,009,207 |
| University of North Dakota | 906,584,896 | 291,416,193 | 1,198,001,089 |
| UND Medical Center | 228,929,208 | 17,796,430 | 246,725,638 |
| North Dakota State University | 763,848,425 | 156,460,658 | 920,309,083 |
| State College of Science | 96,559,844 | 24,811,809 | 121,371,653 |
| Dickinson State University | 51,235,138 | 23,082,696 | 74,317,834 |
| Mayville State University | 50,962,268 | 54,855,978 | 105,818,246 |
| Minot State University | 105,254,397 | 21,694,724 | 126,949,121 |
| Valley City State University | 50,539,223 | 40,362,767 | 90,901,990 |
| Dakota College at Bottineau | 23,754,062 | 7,493,135 | 31,247,197 |
| Forest Service | 15,461,793 | 9,252,937 | 24,714,730 |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

## Detail of House Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $94,051,385 | | | | | |
| Bismarck State College | | $3,914,929 | $2,900,734 | | $204,000 | $31,500,000 |
| Lake Region State College | | 858,690 | 1,055,128 | | 109,000 | 600,000 |
| Williston State College | | 1,703,240 | 916,616 | | 169,140 | 43,913,939 |
| University of North Dakota | | 23,941,127 | 28,613,966 | $3,201,100 | 660,000 | 190,000,000 |
| UND Medical Center | | 12,013,712 | 5,782,718 | | | |
| North Dakota State University | | 16,858,523 | 23,501,035 | 3,201,100 | 1,100,000 | 107,000,000 |
| State College of Science | | 2,412,108 | 2,237,951 | | 186,750 | 19,975,000 |
| Dickinson State University | | 3,334,077 | 1,421,619 | | 327,000 | 18,000,000 |
| Mayville State University | | 2,814,040 | 1,763,104 | | 308,734 | 49,970,100 |
| Minot State University | | 6,020,163 | 3,639,561 | | 170,000 | 11,865,000 |
| Valley City State University | | 3,189,923 | 1,436,844 | | 236,000 | 35,500,000 |
| Dakota College at Bottineau | | 1,483,513 | 539,622 | | 170,000 | 5,300,000 |
| Forest Service | | | | | | |
| Total all funds | $94,051,385 | $78,544,045 | $73,808,898 | $6,402,200 | $3,640,624 | $513,624,039 |
| FTE | 4.00 | 0.00 | 66.92 | 0.00 | 0.00 | 0.00 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total All Funds Changes |
|---|---|---|---|
| University System Office | | | $94,051,385 |
| Bismarck State College | | | 38,519,663 |
| Lake Region State College | | | 2,622,818 |
| Williston State College | | | 46,702,935 |
| University of North Dakota | $45,000,000 | | 291,416,193 |
| UND Medical Center | | | 17,796,430 |
| North Dakota State University | 4,800,000 | | 156,460,658 |
| State College of Science | | | 24,811,809 |
| Dickinson State University | | | 23,082,696 |
| Mayville State University | | | 54,855,978 |
| Minot State University | | | 21,694,724 |
| Valley City State University | | | 40,362,767 |
| Dakota College at Bottineau | | | 7,493,135 |
| Forest Service | | $9,252,937 | 9,252,937 |
| Total all funds | $49,800,000 | $9,252,937 | $829,124,128 |
| FTE | 0.00 | 1.00 | 71.92 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | 4.00 | $74,578 | | $74,578 |
| Salary increase | | 398,183 | $16,289 | 414,472 |
| Health insurance increase | | 112,614 | 5,262 | 117,876 |
| Financial aid staff | | 125,000 | | 125,000 |
| New financial aid system ongoing costs | | 273,180 | | 273,180 |
| New financial aid system one-time costs | | 1,554,354 | | 1,554,354 |
| Capitol space rent model | | 143,625 | | 143,625 |
| Total | 4.00 | $2,681,534 | $21,551 | $2,703,085 |

The following schedule details funding adjustments for Core Technology Services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Base payroll changes | $137,190 | $82,198 | $219,388 |
| Salary increase | 1,041,551 | 525,737 | 1,567,288 |
| Health insurance increase | 395,293 | 242,712 | 638,005 |
| Software and a security operations center | 4,500,000 | | 4,500,000 |
| Replace funding from tuition for salaries and wages | 939,310 | | 939,310 |
| Total | $7,013,344 | $850,647 | $7,863,991 |

The following schedule details funding for inflationary passthrough grants:

| | General Fund |
|---|---|
| Fort Abraham Lincoln Foundation Heritage River Landing | $500,000 |
| Bismarck State College polytechnic building | 10,000,000 |
| Minot children's science center | 1,000,000 |
| Dickinson State University projects and document digitization | 3,600,000 |
| North Dakota Gateway to Science | 5,000,000 |
| Total passthrough grants | $20,100,000 |

The following schedule details funding adjustments in other line items in the University System office budget:

| | Base Level | General Fund Adjustment | House Version |
|---|---|---|---|
| Capital assets - Bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Challenge grants (one-time) | 0 | 36,000,000 | 36,000,000 |
| Dakota Digital Academy (one-time) | 0 | 450,000 | 450,000 |
| Workforce education innovation (one-time) | 0 | 10,000,000 | 10,000,000 |
| Single parent support (one-time) | 0 | 4,500,000 | 4,500,000 |
| Total | $55,352,517 | $63,384,309 | $118,736,826 |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

| | Credit-Hour Completion Adjustment | Formula Adjustment | Hold Harmless | Cost to Continue | Salary Increase | Health Insurance Increase | Total Increase |
|---|---|---|---|---|---|---|---|
| Bismarck State College | ($843,194) | $1,306,862 | | $156,583 | $2,043,190 | $1,251,488 | $3,914,929 |
| Dakota College at Bottineau | 428,768 | | | 49,819 | 696,639 | 308,287 | 1,483,513 |
| Lake Region State College | (1,157,713) | 412,756 | $175,271 | 65,404 | 894,717 | 468,255 | 858,690 |
| State College of Science | (4,001,780) | 2,765,148 | | 156,925 | 2,367,340 | 1,124,475 | 2,412,108 |
| Williston State College | 137,487 | 322,613 | | 57,105 | 866,939 | 319,096 | 1,703,240 |
| Dickinson State University | 998,877 | | | 98,272 | 1,450,501 | 786,427 | 3,334,077 |
| Mayville State University | 685,147 | | | 89,590 | 1,365,632 | 673,671 | 2,814,040 |
| Minot State University | 1,342,514 | | | 196,850 | 2,944,280 | 1,536,519 | 6,020,163 |
| Valley City State University | 480,872 | | | 114,005 | 1,635,744 | 959,302 | 3,189,923 |
| North Dakota State University | (7,591,732) | | 2,054,479 | 696,301 | 14,538,568 | 7,160,907 | 16,858,523 |
| University of North Dakota | (1,616,355) | | | 720,276 | 18,985,262 | 5,851,944 | 23,941,127 |
| UND School of Medicine | 1,861,864 | | | 389,953 | 8,400,006 | 1,361,889 | 12,013,712 |
| Total | ($9,275,245) | $4,807,379 | $2,229,750 | $2,791,083 | $56,188,818 | $21,802,260 | $78,544,045 |

Funding is added from the general fund for the 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from $1,429 to $1,648 per month. In addition, approximately $44.7 million from the general fund to pay the tuition portion of a 6 percent and 4 percent salary increase and the tuition portion of the health insurance increase is included in the salary increase and health insurance increase columns.

[3] The following adjustments are made to institution other funds appropriations and FTE positions:

**FTE Position Adjustments**

| | FTE Positions | Salary Increase | Health Insurance Increase | Other Adjustments | Total |
|---|---|---|---|---|---|
| Bismarck State College | 2.43 | $1,636,581 | $974,448 | $289,705 | $2,900,734 |
| Dakota College at Bottineau | (7.86) | 296,773 | 199,582 | 43,267 | 539,622 |
| Lake Region State College | 4.83 | 618,726 | 336,358 | 100,044 | 1,055,128 |
| State College of Science | 2.34 | 1,250,439 | 800,793 | 186,719 | 2,237,951 |
| Williston State College | 1.54 | 556,396 | 278,619 | 81,601 | 916,616 |
| Dickinson State University | 2.50 | 816,325 | 484,388 | 120,906 | 1,421,619 |
| Mayville State University | (3.43) | 907,083 | 730,912 | 125,109 | 1,763,104 |
| Minot State University | 20.59 | 2,113,443 | 1,193,878 | 332,240 | 3,639,561 |
| Valley City State University | 9.17 | 777,588 | 539,086 | 120,170 | 1,436,844 |
| North Dakota State University | 38.07 | 13,934,225 | 7,487,950 | 2,078,860 | 23,501,035 |
| University of North Dakota | 0.58 | 17,040,090 | 8,846,162 | 2,727,714 | 28,613,966 |
| UND School of Medicine | (3.84) | 3,786,917 | 1,405,057 | 590,744 | 5,782,718 |
| Total | 66.92 | $43,734,586 | $23,277,233 | $6,797,079 | $73,808,898 |

[4] One-time funding of $3,640,624 is added for the behavioral health initiative.

[5] One-time funding is added for the following capital building projects:

| | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|
| BSC multipurpose academic and athletic center | $29,900,000 | $1,600,000 | $31,500,000 |
| LRSC wind turbine gearbox | | 600,000 | 600,000 |
| WSC medical healthcare building | 34,750,000 | 1,850,000 | 36,600,000 |
| WSC turf project | | 7,313,939 | 7,313,939 |
| UND EERC facility | | 33,000,000 | 33,000,000 |
| UND science, engineering, and national security corridor | 57,400,000 | 24,600,000 | 82,000,000 |
| UND science, technology, engineering, and math building | 52,000,000 | 23,000,000 | 75,000,000 |
| NDSU music building | | 20,000,000 | 20,000,000 |
| NDSU Sudro Hall expansion | | 3,000,000 | 3,000,000 |
| NDSU center for engineering and computational sciences | 59,000,000 | 25,000,000 | 84,000,000 |
| NDSCS agriculture, automation, and autonomous systems building | 18,975,000 | 1,000,000 | 19,975,000 |
| DSU agriculture and technical education building | 17,100,000 | 900,000 | 18,000,000 |
| MaSU Old Main renovation | 49,970,100 | | 49,970,100 |
| MiSU Dakota Hall demolition | 765,000 | | 765,000 |
| MiSU academic building | 7,600,000 | 400,000 | 8,000,000 |
| MiSU student center renovation | | 3,100,000 | 3,100,000 |
| VCSU Osmon Fieldhouse addition | | 20,000,000 | 20,000,000 |
| VCSU Student Center renovation | | 2,000,000 | 2,000,000 |
| VCSU McCarthy Hall | 11,500,000 | 2,000,000 | 13,500,000 |
| DCB Old Main renovation | 4,300,000 | 1,000,000 | 5,300,000 |
| Total capital projects | $343,260,100 | $170,363,939 | $513,624,039 |

[6] One-time funding of $49.8 million from the general fund is added for the UND national security initiative ($45 million) and NDSU workforce education ($4.8 million).

[7] The following funding adjustments are made for the Forest Service:

**Forest Service**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | | $30,847 | | $30,847 |
| Salary increase of 4 percent per year | | 233,644 | $6,491 | 240,135 |
| Health insurance increase to $1,648 per month | | 131,552 | 5,262 | 136,814 |
| Towner state nursery | | | 200,000 | 200,000 |
| Cooperative fire protection initiative | 1.00 | 187,000 | | 187,000 |
| Forest recreation enhancements | | 200,000 | | 200,000 |
| Grant funding to enhance services | | | 8,258,141 | 8,258,141 |
| Total | 1.00 | $783,043 | $8,469,894 | $9,252,937 |

## House Bill No. 1003 - Other Changes - House Action

This amendment also adds sections to:

- Identify $293,290,000 for various institution capital projects is from SIIF;
- Identify $4.8 million from the general fund appropriated to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs;
- Identify $4.5 million from the general fund appropriated to the University System office is for support for single mothers;
- Provide for a transfer of $367,000 from University System office carryover to NDSU

operations for the costs of a severance package;

- Provide future severance agreements be paid from the University System office budget;
- Provide for $1.5 million from Bank of North Dakota profits for the dual-credit tuition scholarship program;
- Continue and expand the career builders program and to provide $15 million from Bank of North Dakota profits for the program;
- Continue the capital building fund program and to provide $29 million from SIIF for the program;
- Restrict the State Board of Higher Education from requesting funding for capital projects from the 69th Legislative Assembly;
- Provide for an annual report to the Budget Section on higher education trends;
- Require the approval of requests for new academic programs within 30 days;
- Require the State Board of Higher Education to provide a disclosure of financial condition to final applicants for the position of president;
- Continue the challenge grant program and to provide $36 million from the general fund for the program;
- Replace the Workforce Education Advisory Council with the Workforce Development Council;
- Require institutions to identify local matching funds for capital project requests;
- Amend the higher education funding formula, including to increase funding for career and technical education credits and to restore the minimum amount payable;
- Increase the maximum award under the student financial assistance grant program;
- Allow Dickinson State University to use funds donated for the digitization of documents relating to Theodore Roosevelt without establishing an endowment;
- Allow the University System to continue unexpended appropriations into the 2023-25 biennium;
- Allow Lake Region State College to use funds from the University System capital building fund to replace a wind turbine gearbox without providing matching funds;
- Allow institutions to continue appropriation authority for various capital projects into the 2023-25 biennium; and
- Limit tuition increases.

**2023 SENATE APPROPRIATIONS**

**HB 1003**

# Department 215 - North Dakota University System Office
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $210,077,663 | $26,629,233 | $236,706,896 |
| 2023-25 Base Level | 116,898,476 | 25,757,035 | 142,655,511 |
| Increase (Decrease) | $93,179,187 | $872,198 | $94,051,385 |

## First Chamber Changes

A summary of the first chamber's changes to the agency's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Mayville State University** - Section 4 appropriates $49,970,100 from the strategic investment and improvements fund (SIIF) for the renovation of Old Main at Mayville State University (MaSU).

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from SIIF.

**NDSU workforce education** - Section 7 identifies $4.8 million appropriated from the general fund to NDSU for creating or expanding programs and enrollment initiatives to address workforce needs.

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from the University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College (LRSC) to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**UND School of Medicine and Health Sciences funding** - Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education (CTE) credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Digitization of Theodore Roosevelt documents** - Section 36 removes the requirement for Dickinson State University (DSU) to establish an endowment for the digitization of documents relating to Theodore Roosevelt.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Deficiency Appropriations

**College ready English and math** - Senate Bill No. 2025 includes a deficiency appropriation of $99,768 from the general fund to Dakota College at Bottineau (DCB) for expenses related to the college ready English and math program. The Dakota College at Bottineau was to have been reimbursed for these expenses by the Department of Public Instruction (DPI) during the 2019-21 biennium.

## Significant Audit Findings

The State Auditor's office reported the University System office did not report to the appropriations committees of the 67th Legislative Assembly on its use of $5.5 million in appropriations that were continued from the 2017-19 biennium to the 2019-21 biennium.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**House Bill No. 1382** - Expands eligibility for the North Dakota scholarship to include apprenticeship program participants.

**Senate Bill No. 2025** - Provides a deficiency appropriation to DCB for reimbursement from DPI related to the college ready English and math program.

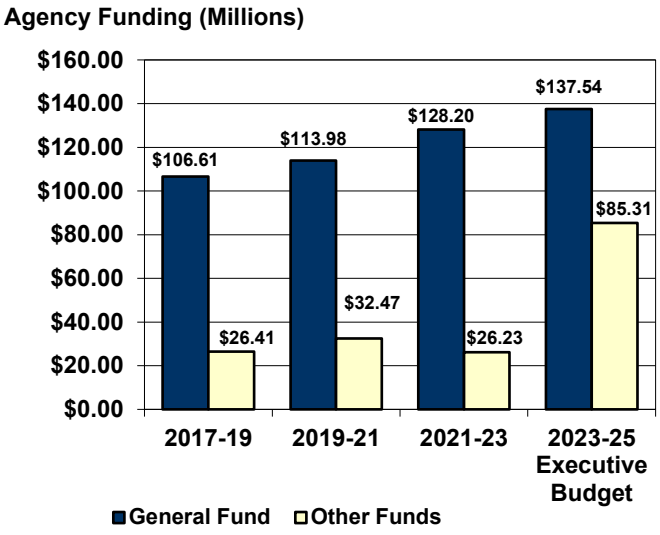
**Senate Bill No. 2032** - Appropriates $3 million from the general fund to DPI to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

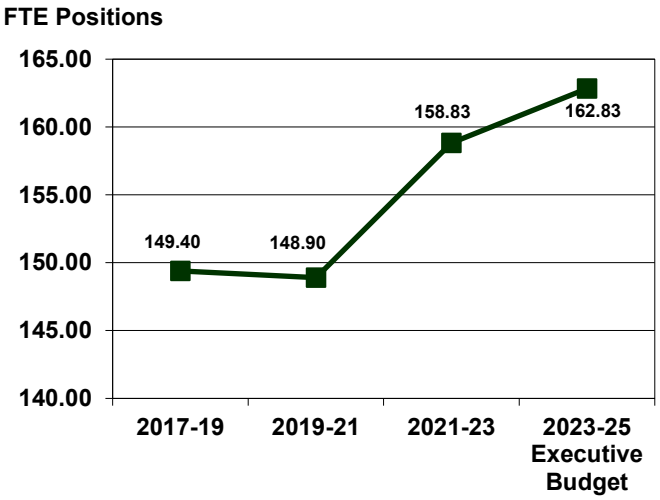
**Senate Bill No. 2197** - Appropriates $5 million from the general fund for a re-energize North Dakota scholarship program to recruit and retrain individuals to work in the oil and gas industry. This bill also appropriates $125,000 and 1 FTE to the University System office for student financial assistance and scholarship programs coordination and marketing.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Historical Appropriations Information

## Agency Appropriations and FTE Positions




## Ongoing General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| Ongoing general fund appropriations | $110,229,818 | $101,639,530 | $102,327,097 | $116,898,476 | $121,898,614 |
| Increase (decrease) from previous biennium | N/A | ($8,590,288) | $687,567 | $14,571,379 | $5,000,138 |
| Percentage increase (decrease) from previous biennium | N/A | (7.8%) | 0.7% | 14.2% | 4.3% |
| Cumulative percentage increase (decrease) from 2015-17 biennium | N/A | (7.8%) | (7.2%) | 6.0% | 10.6% |

## Major Increases (Decreases) in Ongoing General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Underfunded salaries and wages | ($578,097) |
| 2. Adjusted funding for Core Technology Services, including the removal of 1 FTE position | ($2,604,292) |
| 3. Reduced funding for student financial assistance grants | ($1,968,854) |
| 4. Reduced funding for academic and CTE scholarships | ($1,117,347) |
| 5. Reduced funding for competitive research grants | ($560,475) |
| 6. Eliminated funding for 2-year campus marketing | ($747,600) |

**2019-21 Biennium**

| | |
|---|---|
| 1. Increased funding for student financial assistance grants | $2,000,000 |
| 2. Increased funding for tribal college grants to provide a total of $1 million from the general fund | $900,000 |
| 3. Removed funding for the science, technology, engineering, and mathematics (STEM) loan forgiveness program | ($500,000) |
| 4. Transferred the teacher shortage loan forgiveness program to DPI | ($2,103,393) |
| 5. Reduced funding for capital bond payments | ($1,645,878) |

**2021-23 Biennium**

| | |
|---|---|
| 1. Increased funding for academic and CTE scholarships | $4,200,000 |
| 2. Added funding for the nursing education consortium | $1,356,000 |
| 3. Increased funding for capital bond payments | $8,425,816 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Adds funding for software costs and an information technology security operations center | $2,500,000 |
| 2. Increases funding for academic and CTE scholarships | $1,000,000 |
| 3. Increases funding for the Native American scholarship program | $444,677 |
| 4. Reduces funding for capital bond payments | ($2,187,368) |

## One-Time General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| One-time general fund appropriations | $31,467,497 | $4,970,000 | $11,650,000 | $11,300,000 | $15,644,978 |

## Major One-Time General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Provided funding for the higher education challenge fund | $2,000,000 |
| 2. Provided funding for campus workforce initiatives | $2,700,000 |

**2019-21 Biennium**

| | |
|---|---|
| 1. Provided funding for the higher education challenge fund | $9,650,000 |
| 2. Provided funding for the capital building fund program | $2,000,000 |

**2021-23 Biennium**

| | |
|---|---|
| Provided funding for the higher education challenge fund | $11,150,000 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Provides funding for the behavioral health initiative | $3,640,624 |
| 2. Provides funding for a new financial aid system | $1,554,354 |
| 3. Provides funding for the Dakota Digital Academy | $450,000 |
| 4. Provides funding for workforce education innovation grants | $10,000,000 |

## North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | |
|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 | | 1,439,734 | 542,026 | 1,981,760 |
| Health insurance increase | | 496,486 | 242,398 | 738,884 | | 507,907 | 247,974 | 755,881 |
| Adds funding for financial aid staff | | | | 0 | | 125,000 | | 125,000 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) | | | | 0 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 |
| Adds funding for tribal college grants to provide a total of $2 million | | | | 0 | | 1,000,000 | | 1,000,000 |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | | | 0 | | 12,000,000 | | 12,000,000 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 | | 4,500,000 | | 4,500,000 |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) |
| Adds funding to limit tuition increases | | | | 0 | | 939,310 | | 939,310 |
| Total ongoing funding changes | 4.00 | $5,000,138 | ($451,600) | $4,548,538 | 4.00 | $20,574,833 | $872,198 | $21,447,031 |
| **One-Time Funding Items** | | | | | | | | |
| Adds funding for the higher education challenge grant program | | | $50,000,000 | $50,000,000 | | $36,000,000 | | $36,000,000 |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 | | | | 0 |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,554,354 | | 1,554,354 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 | | | | 0 |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 |
| Adds funding for support of single parents | | | | 0 | | 4,500,000 | | 4,500,000 |
| Adds funding for passthrough grants | | | | 0 | | 20,100,000 | | 20,100,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 | 0.00 | $72,604,354 | $0 | $72,604,354 |
| **Total Changes to Base Level Funding** | 4.00 | $20,645,116 | $59,548,400 | $80,193,516 | 4.00 | $93,179,187 | $872,198 | $94,051,385 |
| **2023-25 Total Funding** | 162.83 | $137,543,592 | $85,305,435 | $222,849,027 | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(1.8%)* | *3.2%* | *2.5%* | *17.6%* | *3.4%* | *15.0%* |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *231.2%* | *56.2%* | *2.5%* | *79.7%* | *3.4%* | *65.9%* |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| MaSU Old Main renovation | | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1. |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including the LRSC wind turbine replacement, DSU agriculture and technical education building, MaSU Old Main renovation, MiSU Dakota Hall demolition, and DCB Old Main renovation, is from SIIF. | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. |
| NDSU workforce education | | Section 7 identifies $4.8 million appropriated from the general fund to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs. |
| Support for single parents | | Section 8 identifies $4.5 million appropriated from the general fund to the University System office is for support for single mothers. |
| Severance agreement transfer | | Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval. |
| Dual-credit tuition scholarships | | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. |
| Career builders | | Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Capital projects requests - Restriction | | Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. |
| Project management oversight | Section 10 would require 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. | Section 16 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. |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. |
| Higher education trends - Report | | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. |
| Academic program approval | | Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days. |
| Disclosure of financial condition | | Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. |
| Campus policies and procedures | | Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance. |
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. | Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. |
| Workforce Development Council | | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. |
| Capital project requests - Matching funds | | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Student financial assistance grants | | Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure. |
| Digitization of Theodore Roosevelt documents | | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. |
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Transfer authority | Section 12 would provide 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 assets. | Section 39 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 assets. |
| FTE positions | Section 13 would authorize 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. | Section 40 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. |
| Capital building fund - Matching funds exemption | | Section 41 provides an exemption to allow LRSC to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects. | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects. |
| Tuition rate increase limitation | | Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year. |
| Dental hygienist credits | | Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. | |

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**
Roughrider Room, State Capitol

HB 1003
3/3/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:05 AM Chairman Bekkedahl opened the hearing on HB 1003.

Members present: Senators Bekkedahl, Krebsbach, Davison, Dever, Dwyer, Erbele, Kreun, Meyer, Roers, Schaible, Sorvaag, Vedaa, Wanzek, Rust, and Mathern.

Members absent: Senator Burckhard

**Discussion Topics:**

- North Dakota university system
- Workforce training
- Collaboration and partnerships
- Public private partnerships
- Dakota digital academy
- Electronic curriculum
- Economy diversification
- Statewide system
- College competition
- Student perspective
- Education stabilization
- IT systems
- Enrollments and scholarship
- Certificate courses
- Dual credit funding
- Funding formula
- Budget needs and requests
- Challenge Fund

8:06 AM Tim Mihalik State Board of Higher Education Vice Chair North Dakota University Systems, introduced the bill, introduced the University System, testimony # 21786

8:16 AM Senator Bekkedahl questioned the speaker and referenced the green sheets provided by Legislative Council, testimony # 21895

8:17 AM Mark Hagerott, Chancellor of the North Dakota University System, testified and answered questions from the committee, testimony # 21785 and # 21787

8:45 AM Christopher Scott, President North Dakota Student Association President, testified in favor, testimony # 21887 and # 21787 (begins with slide 10)

8:52 AM Mark Hagerott, continued presentation and testimony # 21787

9:10 AM Darin King, Vice Chancellor for Information Technology, testified in favor, testimony # 21787 (begins with slide 19)

9:14 AM Lisa Johnson, Vice Chancellor for Academic and Student Affairs, testified in favor, testimony # 21787 (begins with slide 22)

9:39 AM David Krebsbach, Vice Chancellor for Administrative Affairs/CFO, testified in favor, testimony # 21787 (begin with slide 24)

9:59 AM Diana Carlson Zink, CEO University of North Dakota Alumni Association and Foundation, testified in favor, testimony # 21714

**Additional written testimony:**

- **Laura Beaudoin, testimony # 21813**
- **Brian Ritter, testimony # 21361**

Chairman Bekkedahl assigned this bill to the Education and Environment Division.

10:05 AM Chairman Bekkedahl closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/7/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:29 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota university system
- Statutory authority
- Organizational chart
- Funding
- Related bills
- Budget review
- Additional monetary requests
- Related bill language change requests
- Capital funding
- North Dakota forest service
- Community forestry
- Fire management
- Forest health
- Outreach and education
- Towner state nursery
- Revenues and expenses
- Partnerships with other agencies
- Firefighter training
- University of North Dakota
- Enrollment trends
- Academic partnerships

- Inflationary increases
- Capital projects (UND)
- University student concerns
- University of North Dakota medical school
- Simulation training throughout state
- Research programs

8:32 AM Dave Krebsbach, Vice Chancellor for Administrative Affairs, University North Dakota System Office, introduced the bill, covered University System Office and overview, testimony #22303, #22304

9:12 AM Tom Claeys, State Forester, introduced the North Dakota Forest Service section of the bill, testimony # 21989 and # 21988

10:00 AM Recess

10:10 AM Andrew Armacost, President University of North Dakota, introduced this section of the bill, testimony # 22485 pages 1 - 13

10:29 AM Karla Mongeon-Stewart, Vice President for Finance and Operation and Chief Operating Officer University of North Dakota, testimony # 22485 pages 14 – 22

10:56 AM Andrew Armacost, continued with testimony #22485 pages 23 – 26

11:04 AM Faith Wahl, University of North Dakota Student Body President, testified in favor, testimony # 22485 pages 27 – 32

11:16 AM Mark Hagerott, Chancellor of the North Dakota University System, testified in favor of UND, no written testimony

11:17 AM Joshua Wynne, Vice President for Health Affairs and Dean UND School of Medicine and Health Sciences, testified in favor, testimony #22312, #22313, #22314, and #22315

**Additional written testimony:**

- **Namil Choi #22396,**
- **Terrence Nelson #22246**
- **Andrew Armacost #22581**
- **Andrew Armacost #22581**
- **Andrea Pfennig #21847**
- **Amanda Remynse #21848**
- **Julie A. Ellingson #21886**

11:54 AM Acting Chairman Schaible closed the hearing.
*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/7/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

2:14 PM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota State College of Science
- Brief history
- Enrollment impact
- State economic impact
- Program sponsorship
- Advanced manufacturing program
- Workforce solutions
- Careerbuilders matching program
- TrainND program
- Budget review
- Needs requested
- Deferred maintenance
- Funding formula revision
- Lake Region State College
- Collaborations
- Tribal college partnerships
- Inflation concerns
- Bismarck State College
- Accomplishments
- Unit cost savings
- Student affordability

- Tuition freeze
- Federal compliance risks

2:14 PM Dr Rod Flanigan, President North Dakota State College of Science, introduced his section of the bill, testimony # 22716.

3:06 PM Doug Darling, President Lake Region State College, introduced his section of the bill, testimony # 22737 and # 22738.

3:32 PM Recess

3:39 PM Dr Doug Jensen, President Bismarck State College, introduced his section of the bill, testimony # 22674 and # 22675.

4:15 PM Thai Haggin, Women's Head Basketball Coach, testified as to Title IX violations, and needs for repairs, no written testimony

4:25 PM Jenna Rust, BSC student athlete testified as to Title IX violations, no written testimony

**Additional written testimony:**

- **Katherine Grindberg, #22585**

4:37 PM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/8/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:31 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- Dickinson State University
- School history and mission
- Budget summary
- TrainND program
- Partnership programs
- Enrollment history
- Budget requests
- Mayville State University
- Accomplishments
- Student enrollment numbers
- Workforce development
- Student success
- Challenge grants
- Funding sources
- Funding formula
- Valley City State University
- National recognitions
- Building renovations
- Request to add private universities

8:32 AM Stephen Easton, President Dickinson State University, introduced his section of the bill, testified in favor, testimony # 22914.

9:19 AM Mark Hagerott, Chancellor North Dakota University System, informed the committee that Dickinson State University made the news today, no written testimony.

9:19 AM Brian Van Horn, President Mayville State University, introduced his section of the bill, testified in favor, testimony # 22944.

9:41 AM Amber Hill, Vice President Business Affairs Mayville State University, presented their budget requests, testimony # 22944.

10:11 AM Recess

10:18 AM Alan LaFave, President Valley City State University, introduced his section of the bill, testified in favor, testimony # 22963 pages 1 – 24.

10:34 AM Paige Fetting, graduate of Valley City State University, testified in favor and needs of Valley City University, testimony # 22968.

10:39 AM Allen Burgad, Dean of Education, Valley City State University, testified in favor of needs or teachers, testimony # 22963 pages 25 – 33.

10:48 AM Alan LaFave, President Valley City State University, continued testimony # 22963 pages 34 – 46.

11:07 AM Amy Cleary, GA Group, introduced Tena Lawrence as a speaker, no written testimony

11:08 AM Tena Lawrence, Executive Vice President University of Jamestown, testified in favor with a request for amendment to add accredited private universities, testimony #22397

11:15 AM Gabi Oberg, University of Jamestown student, testified in favor, testimony # 22994

11:17 AM Shane Gettle, University of Mary, testified in favor with a request for amendment to add accredited private universities, no written testimony

11:22 AM Samantha Vagness, Veterinarian Association, introduced Laura Beaudoin as a speaker, no written testimony

11:22 AM Laura Beaudoin, Associate Veterinarian All Pets Veterinarian Clinic, testified in favor of Professional Student Exchange Program (PSEP) grants, testimony # 22834

11:28 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/9/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:29 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota university system
- North Dakota State University
- Student enrollment
- R1 ranking
- Recent Awards
- Research and entrepreneurship
- Business and industry partnerships
- Funding formula
- Organization transformation
- Teaching out for students
- Tuition incentive model
- Professional advisors
- Budget review
- Foundation challenge grant
- Green bandana program
- Economic impact
- Academic and training programs
- TrainND northwest
- Initiatives and opportunities
- Community connections
- Scholorships

8:29 AM David Cook, President North Dakota State University, introduced his section of the bill, testimony # 22970

9:16 AM John Glover, President/CEO North Dakota State University Foundation, testified in favor as to challenge grants, testimony # 22852 and # 22925

9:22 AM Christian Walth, North Dakota State University Student Body President, testified in favor, testimony # 23259

9:38 AM Bernell Hirning, President Williston State College, testified as to his section of the bill, testimony # 22541 slides 1 - 15

10:11 AM Krista Lambrecht, Vice President Business Services, testimony # 22541 slides 16 – 19

10:16 AM Bernell Hirning, President Williston State College, testimony continued #22541 slides 20 - 32

**Additional written testimony:**

- Joel Honeyman # 22622
- Barry Batcheller, #22825
- Jennifer Gora, # 22867
- Jerry Specht, # 22867
- Shannon Fall, # 23256,
- Jennifer Gora # 22867

10:26 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/13/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:38 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- Minot State University
- Organizational chart
- Campus highlights
- Scholarships
- Challenge grants
- Workforce initiatives
- Aspire Scholars program
- Para to Professional program
- School Psychology program
- Enrollment challenges
- Budget review
- Dakota Hall demolition
- Capital improvement requests
- Dakota College at Bottineau
- Partnerships
- Challenges and goals
- Capital request increases

8:38 AM Steve Shirley, President Minot State University & Dakota College at Bottineau, introduced Minot State University, testified in favor, testimony # 24211

9:09 AM Brent Winiger, Vice President for Administration and Finance Minot State University, testified in favor, continued with testimony # 24211

9:23 AM Carmen Simone, Campus Dean/CEO Dakota College at Bottineau, introduced Dakota College at Bottineau, testified in favor, testimony # 23650

9:50 AM Brent Winiger, Vice President for Administration and Finance Dakota College of Bottineau, testified in favor, continued with testimony # 23650

10:30 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/16/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:32 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota university system
- University system office budget
- University system institution budget
- Funding formula
- Forest Service budget

8:32 AM Committee discussion

8:34 AM Alex Cronquist, Legislative Council, explained the long sheet for University System office, testimony # 25538

8:40 AM Dave Krebsbach, Vice Chancellor for Administrative Affairs, North Dakota University System Office, answered questions from the committee, no written testimony

8:47 AM Brenda Zastoupil, North Dakota University System Office, answered questions from the committee, no written testimony

8:56 AM Committee request for updated Institution Capital Projects dated 2/13/23, testimony # 25544

9:13 AM Mark Hagerott, Chancellor North Dakota University System, answered questions from the committee, no written testimony

9:29 AM Recess

9:31 AM Alex Cronquist, Legislative Council, explained long sheet for University System Institutions, testimony # 25555, #25550

9:51 AM Recess

10:37 AM Dave Krebsbach, Vice Chancellor for Administrative Affairs, North Dakota University System Office, answered questions from the committee, no written testimony

10:48 AM Alex Cronquist, Legislative Council, explained long sheet for Forest Service, testimony # 25551

10:53 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/21/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

9:05 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer.

**Discussion Topics:**

- University system
- Bismarck State College
- Capital project (Multi purpose performance center)
- ADA & Title IX compliance issues
- Capital project (Polytechnic institution)
- Freshman attendance
- Unit cost reduction
- Minot State University
- Capital project (Hartnett Hall renovation)
- University North Dakota
- Capital project (Merrifield/Twamley Hall renovation)
- Inflationary cost increases
- Funding formula adjustments
- Budget sections
- Additional requests
- Committee discussion

9:07 AM Doug Jensen, President Bismarck State College, testified in favor, testimony #22674, and # 22675

9:37 AM Dave Krebsbach, Vice Chancellor for Administrative Affairs, University North Dakota System Office, answered questions from the committee, testimony # 26095, testimony # 26084, and testimony # 26086

9:58 AM Alex Cronquist, Legislative Council, answered questions from the committee, no written testimony

10:13 AM Mark Haggerot, Chancellor University Systems, answered questions from the committee, no written testimony

10:19 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/22/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

3:17 PM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Fort Abraham Lincoln Foundation heritage river landing
- Bismarck State College polytechnic building
- North Dakota gateway to science
- Dickinson State University building requests
- Dickinson State University document digitization
- Minot children's science center
- Scholorships
- Committee discussion

3:17 PM Committee discussion, testimony # 26381

3:23 AM Dave Krebsbach, Vice Chancellor for Administrative Affairs, University North Dakota System Office, answered questions from the committee, no written testimony

3:27 AM Alex Cronquist, Legislative Council, answered questions from the committee

3:44 PM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/23/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:59 AM Chairman Sorvaag opened the meeting on HB 1003.
Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- Committee Work
- North Dakota university system
- Capital project prioritization
- Tiers I, II, III
- Deferred maintenance
- National security initiative
- System office budget requests
- Student financial assistance grants
- Dakota nursing consortium
- System-wide marketing

9:00 AM Chairman Sorvaag gave brief explanation of next week's schedule and today's plan.

9:05 AM Dave Krebsbach, Vice Chancellor for Administrative Affairs, University North Dakota System Office, answered questions from the committee, testimony # 26426 and # 26433

9:42 AM Recess

10:04 AM Dave Krebsbach, Vice Chancellor for Administrative Affairs, University North Dakota System Office, answered questions from the committee, testimony # 22303 page 19

10:25 AM Chairman Sorvaag closed the meeting.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/29/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

8:28 AM Chairman Sorvaag opened the meeting on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Priority requests
- Williston State College
- North Dakota State College of Science
- Mayville State University
- Dickinson State University
- Valley City State University
- Lake Region State College
- Tuition freeze
- Student fees
- Capital projects
- Inflationary costs
- CTE credit multiplier
- Deferred maintenance
- Innovation grant
- Compensation gap funding
- Theodore Roosevelt digitization project
- Corporate partnerships
-

8:29 AM Bernell Herning, President Williston State College, testified in favor, testimony #26948.

8:57 AM Rod Flanigan, President North Dakota State College of Science, testified in favor, testimony # 26973, # 26974, and # 26975.

9:24 AM Brian Van Horn, President Mayville State University, testified in favor, testimony #26979.

9:50 AM Recess

10:09 AM Stephen Easton, President Dickinson State University, testified in favor, testimony # 26988.

10:47 AM Alan LaFave, President Valley City State University, testified in favor, testimony #26992.

10:58 AM Doug Darling, President Lake Region State College, testified in favor, testimony # 26993.

11:11 AM Chairman Sorvaag closed the meeting.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/29/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

2:44 PM Chairman Sorvaag opened the meeting on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota university system
- North Dakota State University
- Dakota College at Bottineau
- Minot State University
- University of North Dakota
- UND National Security Initiative
- Priority requests
- Tuition freeze
- Student fees
- Capital projects
- Inflationary costs
- Challenge grant
- Tier I, II, III, IV funding
- Behavioral health
- Collaborative marketing
- Challenge grant
- Teach-out
- Minnesota competition
- Space development

2:45 PM David Cook, President North Dakota State University, testified in favor, testimony # 27021 and # 27022

3:17 PM Carmen Simone, Campus Dean/CEO Dakota College at Bottineau, testified in favor, testimony # 27024

3:30 PM Steve Shirley, President Minot State University & Dakota College at Bottineau, testified in favor, testimony # 27026, # 27035 and # 27027

3:49 Recess

3:54 PM Andrew Armacost, President University of North Dakota, testified in favor, testimony # 27028

4:09 PM Mark Askelson, National Security Initiative at University of North Dakota, testified in favor, testimony # 27029

4:16 PM Ryan Adams, University of North Dakota School of Engineering, testified in favor, continued with testimony # 27029

4:18 PM Brad Rundquist, Dean College of Arts and Sciences University of North Dakota, testified in favor, continued with testimony # 27029

4:38 PM Robert J Kraus, Dean of the School of Aerospace Sciences University of North Dakota, continued with testimony # 27029.

4:46 PM Chairman Sorvaag closed the meeting.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
3/30/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

9:02 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- University of North Dakota Medical School
- Resident's salaries
- State Forestry
- Fire fighters
- Interoperable radio system
- University system office
- Budget priorities
- Committee discussion
- Scholarships
- System office long sheet

9:04 AM Joshua Wynne, Vice President for Health Affairs and Dean UND School of Medicine and Health Sciences, testified in favor, no written testimony

9:13 AM Tom Claeys, State Forester, testified in favor, no written testimony

9:23 AM Committee discussion

9:25 AM Dave Krebsbach, North Dakota University Systems, testified in favor, testimony # 27056

9:52 AM Recess

10:00 AM Senator Schaible, presented information on all the scholarships being tracked, testimony # 27068

10:19 AM Recess

10:32 AM Senator Sorvaag, reviewing the long sheet for Budget #215, testimony #25538

10:32 Alex Cronquist, Legislative Council, answered questions from the committee, no written testimony

10:45 AM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, no written testimony

10:55 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/3/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

10:27 AM Chairman Sorvaag opened the hearing on HB 1003.
Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Capital projects
- Higher education reformation
- Daycare for single parents
- Severance agreements for departing presidents
- Tuition freeze
- Dickinson State University
- Digitization of records
- Authorities

10:29 AM Committee discussion, review of the bill by sections, testimony # 27230

10:31 AM Alex Cronquist, Legislative Council, answered questions from the committee, review long sheets, testimony # 27229

10:41 AM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, no written testimony

10:49 AM Peter Johnson, University of North Dakota, answered questions from the committee, no written testimony

11:29 AM Chairman Sorvaag closed the hearing.
*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/3/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

3:24 PM Chairman Sorvaag opened the hearing on HB 1003.
Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Capital projects
- Inflationary costs
- National security initiative at UND
- Funding formula
- Research networks/high speed computing

3:24 PM Committee discussion, review of the Capital projects. # 25544, #27256

3:28 PM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, no written testimony

3:42 PM Alex Cronquist, Legislative Council, answered questions from the committee, no written testimony

3:50 PM Committee discussion, review of funding formula, testimony # 26084

3:59 PM Committee discussion, review of research networks, testimony # 25555

4:02 PM 10:49 AM Peter Johnson, University of North Dakota, answered questions from the committee, no written testimony

4:07 PM Chairman Sorvaag closed the hearing.
*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/5/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

9:38 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Funding formula
- One time funds
- Long sheet review
- Scholarships
- Behavioral health initiative
- Committee discussion

9:38 AM Committee discussion, review of the funding formula, testimony # 26084 (page 2); one time fund requests #26381; #27301.

9:44 AM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, no written testimony.

9:49 AM Mark Hagerott, Chancellor North Dakota University System, answered questions from the committee, no written testimony.

10:03 AM Alex Cronquist, answered questions from the committee, no written testimony.

10:05 AM Committee discussion on the long sheets, testimony # 27302.

10:15 AM  Committee discussion on scholarships, long sheet # 27302 and # 27485.

10:37 AM  Brenda Zastoupil, North Dakota University System, answered questions from the committee, no written testimony

10:46 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/5/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

3:04 PM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Challenge grants
- Private North Dakota universities
- Career Builder scholarship
- Security operations center
- Software cost increases
- Funding formula
- Tuition freeze
- Proposed amendments
- National security initiative
- Duel credit classes
- Committee discussion

3:05 PM Senator Terry Wanzek, introduced amendment LC 23.0232.0203, testimony #27311. (Amendment failed for lack of motion)

3:13 PM Committee discussion testimony # 26084 (page 2), long sheet # 27302.

3:15 PM Brenda Zastoupil, North Dakota University System, answered questions from the committee, no written testimony

3:15 PM Darin King, University system information technology, testified as to security operations center, no written testimony.

3:23 PM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, no written testimony.

3:36 PM Mark Hagerott, Chancellor North Dakota University System, answered questions from the committee, no written testimony.

3:51 PM Alex Cronquist, Legislative Council, answered questions from the committee, no written testimony.

3:53 PM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/6/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

10:12 AM Chairman Sorvaag opened the hearing on HB 1003.
Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Proposed amendment
- Scholarships
- Challenge grants
- Agriculture research
- Institution savings
- Needs based financial aid
- Vice Chancellor FTE position
- Committee discussion

10:12 AM Committee discussion on the bill, adopting various changes to add to the final amendment, no written testimony

10:26 AM Alex Cronquist, Legislative Council, answered questions from the committee, no written testimony

10:35 AM Recess
10:43 AM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, testimony # 27339.

10:49 AM Lisa Johnson, Vice Chancellor University Systems, testified in favor, no written testimony

11:05 AM Chairman Sorvaag closed the hearing.
*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/6/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

4:16 PM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota University System
- Inflationary factors
- Severance agreements
- Capital projects
- Committee discussion

4:16 PM Committee discussion on the bill, adopting various changes to add to the final amendment, no written testimony.

4:25 PM Recess

4:30 PM Mark Hagerott, Chancellor University Systems, answered questions from the committee, no written testimony.

4:30 PM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, testimony # 27339.

4:33 PM Alex Cronquist, Legislative Council, explained long sheets, testimony # 27337 and # 27338.

4:59 PM Senator Sorvaag discussed capital projects, testimony # 27484 and # 27483.

5:17 PM Dave Krebsbach, North Dakota University Systems, answered questions from the committee, no written testimony.

5:23 PM Mark Hagerott, Chancellor University Systems, answered questions from the committee, no written testimony.

5:24 PM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/7/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

11:21 AM Chairman Sorvaag opened the meeting on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota university system
- Capital projects
- Economic diversification research
- Funding streams
- One-time funding
- Committee work

11:01 AM Committee discussion

11:24 AM Senator Schaible moved to adopt amendment 23.0232.02005 and to add $10 million research funds, testimony # 27505.
Senator Meyer seconded the motion.

| Senators | Vote |
|---|---|
| Senator Ronald Sorvaag | Y |
| Senator Karen K. Krebsbach | N |
| Senator Scott Meyer | Y |
| Senator David S. Rust | Y |
| Senator Donald Schaible | Y |

Motion passed 4-1-0.

9:57 AM Senator Schaible moved to adopt amendment 23.0232.02006 and 3 changes discussed by the committee for an emergency clause, a study, and bank appropriation authority.
Senator Meyer seconded the motion.

| Senators | Vote |
|---|---|
| Senator Ronald Sorvaag | Y |
| Senator Karen K. Krebsbach | N |
| Senator Scott Meyer | Y |
| Senator David S. Rust | Y |
| Senator Donald Schaible | Y |

Motion passed 4-1-0.

11:30 AM Senator Sorvaag presented an updated list of capital projects, testimony # 27506.

11:39 AM Chairman Sorvaag closed the meeting.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Sakakawea Room, State Capitol

HB 1003
4/10/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

9:11 AM Chairman Sorvaag opened the hearing on HB 1003.

Members present: Senators Sorvaag, Krebsbach, Rust, Schaible, and Meyer

**Discussion Topics:**

- North Dakota university system
- Amendment review
- University system office
- Capital projects
- Economic diversification research
- Matching requirement rates
- Emergency clause extension
- Management study amendment proposal
- Artificial intelligence study
- Committee work

9:11 AM Committee discussion

9:12 AM Alex Cronquist, Legislative Council, introduced the proposed amendment LC 23.0232.02006, testimony # 27391.

9:44 AM Senator Janne Myrdal, introduced an amendment to the bill, LC 23.1126.01000 for a legislative study, testimony # 27400.

9:55 AM Senator Schaible moved to adopt amendment 23.1126.01000 proposed by Senator Myrdahl.
Senator Meyer seconded the motion.

| Senators | Vote |
|---|---|
| Senator Ronald Sorvaag | Y |
| Senator Karen K. Krebsbach | Y |
| Senator Scott Meyer | Y |
| Senator David S. Rust | Y |
| Senator Donald Schaible | Y |

Motion passed 5-0-0.

9:57 AM Senator Schaible moved to adopt amendment 23.0232.02006 and 3 changes discussed by the committee for an emergency clause, a study, and bank appropriation authority.
Senator Meyer seconded the motion.

| Senators | Vote |
|---|---|
| Senator Ronald Sorvaag | Y |
| Senator Karen K. Krebsbach | N |
| Senator Scott Meyer | Y |
| Senator David S. Rust | Y |
| Senator Donald Schaible | Y |

Motion passed 4-1-0.

9:58 AM Senator Schaible moved DO PASS AS AMENDED.
Senator Meyer seconded the motion.

| Senators | Vote |
|---|---|
| Senator Ronald Sorvaag | Y |
| Senator Karen K. Krebsbach | Y |
| Senator Scott Meyer | Y |
| Senator David S. Rust | Y |
| Senator Donald Schaible | Y |

Motion passed 5-0-0.

Senator Schaible will carry the bill to full committee.

9:59 AM Chairman Sorvaag closed the hearing.

*Kathleen Hall, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**
Roughrider Room, State Capitol

HB 1003
4/11/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

1:51 PM Chairman Bekkedahl opened the meeting on HB 1003.

Members present: Senators Bekkedahl, Krebsbach, Burckhard, Davison, Dever, Dwyer, Erbele, Kreun, Meyer, Roers, Schaible, Sorvaag, Wanzek, Rust, and Mathern.

Members absent: Senator Vedaa

**Discussion Topics:**

- North Dakota university systems
- Amendment review
- Private universities
- Committee work

1:51 PM Senator Sorvaag introduced amendment LC 23.0232.02007, testimony # 27473.

2:16 PM Senator Sorvaag moved to adopt AMENDMENT 23.0232.02007.
Senator Meyer seconded the motion.

2:25 PM Alex Cronquist, Legislative Council, answered questions from the committee, no written testimony.

| Senators | Vote |
|---|---|
| Senator Brad Bekkedahl | Y |
| Senator Karen K. Krebsbach | N |
| Senator Randy A. Burckhard | Y |
| Senator Kyle Davison | Y |
| Senator Dick Dever | Y |
| Senator Michael Dwyer | Y |
| Senator Robert Erbele | Y |
| Senator Curt Kreun | Y |
| Senator Tim Mathern | Y |
| Senator Scott Meyer | Y |
| Senator Jim P. Roers | Y |
| Senator David S. Rust | Y |
| Senator Donald Schaible | Y |
| Senator Ronald Sorvaag | Y |
| Senator Shawn Vedaa | AB |
| Senator Terry M. Wanzek | Y |

Motion passed 14-1-1.

2:41 PM Senator Wanzek moved to further adopt amendment to add University of Jamestown and University of Mary for projects dedicated to student scholarships. Testimony #27311.
Senator Dwyer seconded the motion.

| Senators | Vote |
|---|---|
| Senator Brad Bekkedahl | N |
| Senator Karen K. Krebsbach | N |
| Senator Randy A. Burckhard | N |
| Senator Kyle Davison | N |
| Senator Dick Dever | Y |
| Senator Michael Dwyer | Y |
| Senator Robert Erbele | Y |
| Senator Curt Kreun | N |
| Senator Tim Mathern | N |
| Senator Scott Meyer | N |
| Senator Jim P. Roers | Y |
| Senator David S. Rust | N |
| Senator Donald Schaible | N |
| Senator Ronald Sorvaag | N |
| Senator Shawn Vedaa | AB |
| Senator Terry M. Wanzek | Y |

Motion failed 5-10-1.

2:55 AM Senator Sorvaag moved DO PASS AS AMENDED.
Senator Kreun seconded the motion.

| Senators | Vote |
|---|---|
| Senator Brad Bekkedahl | Y |
| Senator Karen K. Krebsbach | Y |
| Senator Randy A. Burckhard | Y |
| Senator Kyle Davison | Y |
| Senator Dick Dever | Y |
| Senator Michael Dwyer | N |
| Senator Robert Erbele | Y |
| Senator Curt Kreun | Y |
| Senator Tim Mathern | Y |
| Senator Scott Meyer | Y |
| Senator Jim P. Roers | N |
| Senator David S. Rust | Y |
| Senator Donald Schaible | Y |
| Senator Ronald Sorvaag | Y |
| Senator Shawn Vedaa | AB |
| Senator Terry M. Wanzek | Y |

Motion passed 13-2-1.

Senator Sorvaag will carry the bill.

2:57 PM Chairman Bekkedahl closed the meeting.

*Kathleen Hall, Committee Clerk*

23.0232.02007
Title.03000

Fiscal No. 3

Prepared by the Legislative Council staff for
the Senate Appropriations - Education and
Environment Division Committee
April 10, 2023

AG
4-11-23
(1-18)

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, after the semicolon insert "to provide an appropriation to the Bank of North Dakota;"

Page 1, line 2, replace "five" with "a new section to chapter 6-09, three"

Page 1, line 2, after "15-10" insert ", section 15-10-48.2,"

Page 1, line 3, after "to" insert "an economic diversification research fund, matching grants for agricultural research and extension,"

Page 1, line 4, remove "funding of severance agreements, academic program approval,"

Page 1, line 16, remove ", 15-10-53,"

Page 1, line 19, replace "pilot program" with "legislative management study"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 3,266,239 | 11,871,809 |
| Core technology services | 62,962,817 | 6,881,654 | 69,844,471 |
| Student financial assistance grants | 23,917,306 | 6,000,000 | 29,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 400,000 | 1,400,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |

AGO

| | | | | |
|---|---|---|---|---|
| NASA EPSCoR | 342,000 | 0 | 342,000 | 4-11-23 |
| Education challenge fund | 0 | 20,000,000 | 20,000,000 | (2-18) |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 | |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 | |
| Dakota digital academy | 0 | 450,000 | 450,000 | |
| Severance agreements | 0 | 300,000 | 300,000 | |
| Total all funds | $142,655,511 | $46,732,202 | $189,387,713 | |
| Less estimated income | 25,757,035 | 487,073 | 26,244,108 | |
| Total general fund | $116,898,476 | $46,245,129 | $163,143,605 | |
| Full-time equivalent positions | 158.83 | 5.00 | 163.83 | |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $7,699,688 | $108,271,075 |
| Capital assets | 1,922,561 | 12,400,000 | 14,322,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $20,303,688 | $122,797,636 |
| Less estimated income | 70,409,893 | 10,869,688 | 81,279,581 |
| Total general fund | $32,084,055 | $9,434,000 | $41,518,055 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $2,263,509 | $41,414,422 |
| Capital assets | 362,667 | 1,000,000 | 1,362,667 |
| Minimum amount payable adjustment | 0 | 569,686 | 569,686 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $3,942,195 | $43,455,775 |
| Less estimated income | 25,271,428 | 2,257,339 | 27,528,767 |
| Total general fund | $14,242,152 | $1,684,856 | $15,927,008 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,929,048 | $36,973,352 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $47,012,127 | $82,318,399 |
| Less estimated income | 24,019,535 | 45,011,392 | 69,030,927 |
| Total general fund | $11,286,737 | $2,000,735 | $13,287,472 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

AG
4-11-23
(3-18)

## UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $60,080,851 | $962,254,181 |
| Capital assets | 4,411,566 | 127,500,000 | 131,911,566 |
| Minimum amount payable adjustment | 0 | 616,332 | 616,332 |
| National security initiative | 0 | 9,000,000 | 9,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $201,058,283 | $1,107,643,179 |
| Less estimated income | 755,657,771 | 156,803,837 | 912,461,608 |
| Total general fund | $150,927,125 | $44,254,446 | $195,181,571 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

## NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $46,573,844 | $802,623,165 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Minimum amount payable adjustment | 0 | 4,537,253 | 4,537,253 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $162,412,197 | $926,260,622 |
| Less estimated income | 625,417,100 | 135,106,551 | 760,523,651 |
| Total general fund | $138,431,325 | $27,305,646 | $165,736,971 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

## NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $5,686,699 | $101,234,164 |
| Capital assets | 1,012,379 | 0 | 1,012,379 |
| Minimum amount payable adjustment | 0 | 1,005,347 | 1,005,347 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $6,878,796 | $103,438,640 |
| Less estimated income | 60,845,052 | 2,639,567 | 63,484,619 |
| Total general fund | $35,714,792 | $4,239,229 | $39,954,021 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

## DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $5,244,442 | $56,070,502 |
| Capital assets | 409,078 | 20,600,000 | 21,009,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |

| | | | |
|---|---|---|---|
| Total all funds | $51,235,138 | $26,171,442 | $77,406,580 |
| Less estimated income | 30,992,408 | 20,685,562 | 51,677,970 |
| Total general fund | $20,242,730 | $5,485,880 | $25,728,610 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

AG 4-11-03 (4-18)

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $5,068,561 | $55,671,837 |
| Capital assets | 358,992 | 49,970,100 | 50,329,092 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $55,347,395 | $106,309,663 |
| Less estimated income | 32,282,440 | 52,019,679 | 84,302,119 |
| Total general fund | $18,679,828 | $3,327,716 | $22,007,544 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $10,794,119 | $114,948,896 |
| Capital assets | 1,099,620 | 7,865,000 | 8,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $18,829,119 | $124,083,516 |
| Less estimated income | 64,047,767 | 10,588,652 | 74,636,419 |
| Total general fund | $41,206,630 | $8,240,467 | $49,447,097 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $5,135,290 | $55,218,690 |
| Capital assets | 455,823 | 22,000,000 | 22,455,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $27,371,290 | $77,910,513 |
| Less estimated income | 26,377,846 | 23,684,575 | 50,062,421 |
| Total general fund | $24,161,377 | $3,686,715 | $27,848,092 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,227,163 | $25,867,218 |
| Capital assets | 114,007 | 5,800,000 | 5,914,007 |

| | | | |
|---|---|---|---|
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $8,197,163 | $31,951,225 |
| Less estimated income | 14,216,200 | 6,434,747 | 20,650,947 |
| Total general fund | $9,537,862 | $1,762,416 | $11,300,278 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

AG 4-11-23 (5-18)

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $19,850,819 | $238,103,877 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $19,850,819 | $248,780,027 |
| Less estimated income | 160,806,249 | 7,107,862 | 167,914,111 |
| Total general fund | $68,122,959 | $12,742,957 | $80,865,916 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,318,100 | $24,661,165 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,318,100 | $24,779,893 |
| Less estimated income | 10,669,315 | 8,471,957 | 19,141,272 |
| Total general fund | $4,792,478 | $846,143 | $5,638,621 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $171,256,335 | $857,584,861 |
| Grand total special funds | 1,926,770,039 | 482,168,481 | 2,408,938,520 |
| Grand total all funds | $2,613,098,565 | $653,424,816 | $3,266,523,381" |

Page 8, replace lines 8 through 12 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $205,727,053 |
| Capital project inflation - general fund | 0 | 13,160,000 |
| Capital projects - other funds | 4,363,000 | 179,161,986 |
| University of North Dakota national security initiative | 0 | 9,000,000 |
| Additional hold harmless adjustment | 0 | 6,728,618" |

Page 8, remove lines 28 through 31

Page 9, replace lines 1 through 6 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 20,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,669,354 |
| Severance agreement | 0 | 300,000 |
| Total all funds | $207,876,121 | $449,837,635 |
| Total other funds | 190,851,121 | 384,889,039 |
| Total general fund | $17,025,000 | $64,948,596" |

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Page 9, remove lines 23 through 29

Page 10, line 9, replace "$293,290,000" with "$205,727,053"

Page 10, replace lines 11 through 23 with:

| | |
|---|---|
| "Williston state college medical healthcare building | $25,962,053 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Mayville state university old main renovation | 42,200,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Dakota college at Bottineau old main renovation | 3,300,000 |
| Total strategic investment and improvements fund | $205,727,053" |

Page 10, remove lines 24 through 30

Page 11, remove lines 1 through 30

Page 12, remove lines 1 through 4

Page 12, line 8, after the third comma insert "and any funds in the severance agreements line item in subdivision 1 of section 1 of this Act,"

Page 12, line 21, replace "$7,500,000" with "$3,400,000"

Page 12, line 26, replace "$7,500,000" with "$3,400,000"

Page 12, after line 28, insert:

"**SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND.** The office of management and budget shall transfer $10,000,000 from the strategic investment and improvements fund to the economic diversification research fund, the sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to institutions under the control of the state board of higher eduction, for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education."

Page 13, replace lines 20 and 21 with:

| | |
|---|---|
| "Bismarck state college polytechnic project inflation | $12,400,000 |
| Lake region state college wind turbine gearbox replacement and parking lot repairs" | 1,000,000 |

Page 13, replace line 24 with:

"University of North Dakota Merrifield hall and Twamley hall project inflation 12,500,000"

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Page 13, remove lines 26 and 27

Page 13, remove lines 29 and 30

Page 14, replace lines 1 and 2 with:

| | |
|---|---|
| "Dickinson state university generator and project inflation | 2,600,000 |
| Mayville state university old main renovation | 49,970,100 |
| Minot state university Hartnett hall project inflation | 4,000,000 |
| Dakota college at Bottineau old main renovation | 5,800,000 |
| Total | $308,870,100" |

Page 14, line 5, remove "The state board of higher education may not include requests for any state funds for"

Page 14, remove lines 6 through 15

Page 14, line 16, remove "3."

Page 14, line 19, replace "4." with "2."

Page 14, line 25, replace "5." with "3."

Page 14, line 25, replace "Any" with "It is the intent of the sixty-eighth legislative assembly that any"

Page 15, replace lines 3 through 10 with:

"**SECTION 15.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**Economic diversification research fund - Report to legislative management.**

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in or transferred to the fund pursuant to legislative action. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.

2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award grants to institutions under the control of the state board of higher education. Up to ninety percent of the funding must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new

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technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.

4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations."

Page 15, line 13, remove "**budget**"

Page 15, line 14, replace "**section**" with "**legislative management**"

Page 15, line 15, remove "budget"

Page 15, line 16, replace "section" with "legislative management"

Page 15, remove lines 21 through 31

Page 16, remove lines 1 through 8

Page 22, line 3, replace "five million" with "two million seven hundred thousand"

Page 22, line 5, replace "four million" with "two million two hundred thousand"

Page 22, line 6, remove "each"

Page 22, line 7, remove "and the North Dakota state university"

Page 22, line 8, remove "main research center"

Page 22, after line 10, insert:

"**SECTION 23.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted as follows:

**Agricultural research and extension - Matching grants - North Dakota state university agricultural experiment station.**

1. a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of North Dakota state university for projects dedicated exclusively to agricultural research and extension at the agricultural experiment station. Notwithstanding section 15-10-53, awards under this section may be used for endowments, operations, facility repair projects, and new capital construction projects.

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b. To be eligible for a matching grant, the institution shall demonstrate:

(1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and

(2) The project has been approved by the grant review committee established in section 15-10-51.

c. The board may award up to two million two hundred thousand dollars in matching grants under this section.

d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process."

Page 22, line 14, replace "Three million" with "One million seven hundred thousand"

Page 22, line 17, replace "Two million" with "One million one hundred thousand"

Page 22, line 19, replace "One million" with "Six hundred thousand"

Page 24, line 22, replace "$72.39" with "$73.15"

Page 24, line 24, replace "$102.78" with "$103.76"

Page 24, line 26, replace "$109.30" with "$110.38"

Page 25, line 25, replace "six hundred fifty" with "three hundred seventy-five"

Page 25, line 26, replace "One thousand one hundred" with "Nine hundred seventeen"

Page 27, line 28, remove ", 15-10-53,"

Page 28, line 11, remove "**- LAKE REGION STATE**"

Page 28, replace lines 12 through 15 with:

"Notwithstanding any matching requirements in chapter 15-54.1, the following projects are authorized to use funding from the respective institution's allocation in the university system capital building fund:

| | |
|---|---|
| Lake region state college wind turbine gearbox replacement and parking lot repairs | $1,000,000 |
| Williston state college medical healthcare building | 637,947 |
| Mayville state university old main renovation | 2,330,087 |
| Dakota college at Bottineau old main renovation | 1,000,000 |
| Total | $4,968,034" |

Page 28, line 27, after the second "programs" insert ", including for the Twamley hall project at the university of North Dakota,"

Page 28, after line 28, insert:

"**SECTION 41. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The study must include a review of all funding sources relating

to dual-credit courses in the state, including tuition and fees, the higher education funding formula, elementary and secondary education integrated formula payments, institution scholarships, state scholarships, and the Bank of North Dakota. The study must also include a review of funding for dual-credit courses in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

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**SECTION 42. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the emergence of artificial intelligence and the potential impacts on the state's institutions, agencies, businesses, citizens, and youth. The study must include a review of the effect of artificial intelligence on the provision of health care, effects on student learning, potential opportunities or threats to the integrity of state services, the potential impact on electoral processes, including mitigating action to be taken leading up to the 2024 state elections, opportunities for state investment or policy changes to promote artificial intelligence businesses, and cybersecurity implications across all state institutions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Page 28, line 31, remove "and fee"

Page 29, line 5, remove "and fee"

Page 30, line 1, after "hygienist" insert "and dental assistant"

Page 30, line 3, replace "Section 35" with "Sections 2, 5, 11, 12, 13, 32, 38, and the capital assets line items in section 1"

Page 30, line 3, replace "is" with "are"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of Senate Action**

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | | | | |
| Total all funds | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Less estimated income | 25,757,035 | 26,629,233 | (385,125) | 26,244,108 |
| General fund | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| FTE | 158.83 | 162.83 | 1.00 | 163.83 |
| Bismarck State College | | | | |
| Total all funds | $102,493,948 | $141,013,611 | ($18,215,975) | $122,797,636 |
| Less estimated income | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| General fund | $32,084,055 | $36,202,984 | $5,315,071 | $41,518,055 |
| FTE | 332.90 | 335.33 | 0.00 | 335.33 |
| Lake Region State College | | | | |
| Total all funds | $39,513,580 | $42,136,398 | $1,319,377 | $43,455,775 |
| Less estimated income | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| General fund | $14,242,152 | $15,209,842 | $717,166 | $15,927,008 |
| FTE | 115.76 | 120.59 | 0.00 | 120.59 |
| Williston State College | | | | |
| Total all funds | $35,306,272 | $82,009,207 | $309,192 | $82,318,399 |

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| | | | | |
|---|---|---|---|---|
| Less estimated income | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| General fund | $11,286,737 | $13,159,117 | $128,355 | $13,287,472 |
| FTE | 101.29 | 102.83 | 0.00 | 102.83 |
| University of North Dakota | | | | |
| Total all funds | $906,584,896 | $1,198,001,089 | ($90,357,910) | $1,107,643,179 |
| Less estimated income | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| General fund | $150,927,125 | $223,729,352 | ($28,547,781) | $195,181,571 |
| FTE | 2,059.98 | 2,060.56 | 0.00 | 2,060.56 |
| UND Medical Center | | | | |
| Total all funds | $228,929,208 | $246,725,638 | $2,054,389 | $248,780,027 |
| Less estimated income | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| General fund | $68,122,959 | $80,136,671 | $729,245 | $80,865,916 |
| FTE | 492.67 | 488.83 | 0.00 | 488.83 |
| North Dakota State University | | | | |
| Total all funds | $763,848,425 | $920,309,083 | $5,951,539 | $926,260,622 |
| Less estimated income | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| General fund | $138,431,325 | $164,390,948 | $1,346,023 | $165,736,971 |
| FTE | 1,829.43 | 1,867.50 | 0.00 | 1,867.50 |
| State College of Science | | | | |
| Total all funds | $96,559,844 | $121,371,653 | ($17,933,013) | $103,438,640 |
| Less estimated income | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| General fund | $35,714,792 | $38,313,650 | $1,640,371 | $39,954,021 |
| FTE | 311.61 | 313.95 | 0.00 | 313.95 |
| Dickinson State University | | | | |
| Total all funds | $51,235,138 | $74,317,834 | $3,088,746 | $77,406,580 |
| Less estimated income | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| General fund | $20,242,730 | $23,903,807 | $1,824,803 | $25,728,610 |
| FTE | 175.50 | 178.00 | 0.00 | 178.00 |
| Mayville State University | | | | |
| Total all funds | $50,962,268 | $105,818,246 | $491,417 | $106,309,663 |
| Less estimated income | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| General fund | $18,679,828 | $21,802,602 | $204,942 | $22,007,544 |
| FTE | 230.35 | 226.92 | 0.00 | 226.92 |
| Minot State University | | | | |
| Total all funds | $105,254,397 | $126,949,121 | ($2,865,605) | $124,083,516 |
| Less estimated income | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| General fund | $41,206,630 | $47,396,793 | $2,050,304 | $49,447,097 |
| FTE | 403.04 | 423.63 | 0.00 | 423.63 |
| Valley City State University | | | | |
| Total all funds | $50,539,223 | $90,901,990 | ($12,991,477) | $77,910,513 |
| Less estimated income | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| General fund | $24,161,377 | $27,587,300 | $260,792 | $27,848,092 |
| FTE | 202.77 | 211.94 | 0.00 | 211.94 |
| Dakota College at Bottineau | | | | |
| Total all funds | $23,754,062 | $31,247,197 | $704,028 | $31,951,225 |
| Less estimated income | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| General fund | $9,537,862 | $11,191,375 | $108,903 | $11,300,278 |
| FTE | 91.86 | 84.00 | 0.00 | 84.00 |
| Forest Service | | | | |
| Total all funds | $15,461,793 | $24,714,730 | $65,163 | $24,779,893 |
| Less estimated income | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |
| General fund | $4,792,478 | $5,575,521 | $63,100 | $5,638,621 |

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| | | | | |
|---|---|---|---|---|
| FTE | 28.00 | 29.00 | 0.00 | 29.00 |
| Bank of North Dakota | | | | |
| Total all funds | $0 | $0 | $10,000,000 | $10,000,000 |
| Less estimated income | 0 | 0 | 10,000,000 | 10,000,000 |
| General fund | $0 | $0 | $0 | $0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |
| Bill total | | | | |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($165,699,312) | $3,276,523,381 |
| Less estimated income | 1,926,770,039 | 2,523,545,068 | (104,606,548) | 2,418,938,520 |
| General fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## House Bill No. 1003 - General Fund Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| Bismarck State College | 32,084,055 | 36,202,984 | 5,315,071 | 41,518,055 |
| Lake Region State College | 14,242,152 | 15,209,842 | 717,166 | 15,927,008 |
| Williston State College | 11,286,737 | 13,159,117 | 128,355 | 13,287,472 |
| University of North Dakota | 150,927,125 | 223,729,352 | (28,547,781) | 195,181,571 |
| UND Medical Center | 68,122,959 | 80,136,671 | 729,245 | 80,865,916 |
| North Dakota State University | 138,431,325 | 164,390,948 | 1,346,023 | 165,736,971 |
| State College of Science | 35,714,792 | 38,313,650 | 1,640,371 | 39,954,021 |
| Dickinson State University | 20,242,730 | 23,903,807 | 1,824,803 | 25,728,610 |
| Mayville State University | 18,679,828 | 21,802,602 | 204,942 | 22,007,544 |
| Minot State University | 41,206,630 | 47,396,793 | 2,050,304 | 49,447,097 |
| Valley City State University | 24,161,377 | 27,587,300 | 260,792 | 27,848,092 |
| Dakota College at Bottineau | 9,537,862 | 11,191,375 | 108,903 | 11,300,278 |
| Forest Service | 4,792,478 | 5,575,521 | 63,100 | 5,638,621 |
| Bank of North Dakota | | | | |
| Total general fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |

## Detail of Senate Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($46,934,058) | | | | | |
| Bismarck State College | | $355,071 | | | | |
| Lake Region State College | | 147,480 | | $569,686 | | |
| Williston State College | | 128,355 | | | | |
| University of North Dakota | | 1,835,887 | | 616,332 | ($36,000,000) | |
| UND Medical Center | | 729,245 | | | | |
| North Dakota State University | | 1,608,770 | | 4,537,253 | | ($4,800,000) |
| State College of Science | | 635,024 | | 1,005,347 | | |
| Dickinson State University | | 224,803 | | | | |
| Mayville State University | | 204,942 | | | | |
| Minot State University | | 450,304 | | | | |
| Valley City State University | | 260,792 | | | | |
| Dakota College at Bottineau | | 108,903 | | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total general fund | ($46,934,058) | $6,689,576 | $0 | $6,728,618 | ($36,000,000) | ($4,800,000) |

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| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total the General Fund Changes |
|---|---|---|---|---|
| University System Office | | | | ($46,934,058) |
| Bismarck State College | $4,960,000 | | | 5,315,071 |
| Lake Region State College | | | | 717,166 |
| Williston State College | | | | 128,355 |
| University of North Dakota | 5,000,000 | | | (28,547,781) |
| UND Medical Center | | | | 729,245 |
| North Dakota State University | | | | 1,346,023 |
| State College of Science | | | | 1,640,371 |
| Dickinson State University | 1,600,000 | | | 1,824,803 |
| Mayville State University | | | | 204,942 |
| Minot State University | 1,600,000 | | | 2,050,304 |
| Valley City State University | | | | 260,792 |
| Dakota College at Bottineau | | | | 108,903 |
| Forest Service | | $63,100 | | 63,100 |
| Bank of North Dakota | | | | |
| Total general fund | $13,160,000 | $63,100 | $0 | ($61,092,764) |

## House Bill No. 1003 - Other Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $25,757,035 | $26,629,233 | ($385,125) | $26,244,108 |
| Bismarck State College | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| Lake Region State College | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| Williston State College | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| University of North Dakota | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| UND Medical Center | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| North Dakota State University | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| State College of Science | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| Dickinson State University | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| Mayville State University | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| Minot State University | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| Valley City State University | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| Dakota College at Bottineau | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| Forest Service | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |
| Bank of North Dakota | | | 10,000,000 | 10,000,000 |
| Total other funds | $1,926,770,039 | $2,523,545,068 | ($104,606,548) | $2,418,938,520 |

## Detail of Senate Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($385,125) | | | | | |
| Bismarck State College | | | $528,954 | | | |
| Lake Region State College | | | 202,211 | | | |
| Williston State College | | | 180,837 | | | |
| University of North Dakota | | | 5,689,871 | | | |
| UND Medical Center | | | 1,325,144 | | | |
| North Dakota State University | | | 4,605,516 | | | |
| State College of Science | | | 401,616 | | | |
| Dickinson State University | | | 263,943 | | | |
| Mayville State University | | | 286,475 | | | |
| Minot State University | | | 684,091 | | | |
| Valley City State University | | | 247,731 | | | |
| Dakota College at Bottineau | | | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total other funds | ($385,125) | $0 | $14,511,514 | $0 | $0 | $0 |

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| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total Other Funds Changes |
|---|---|---|---|---|
| University System Office | | | | ($385,125) |
| Bismarck State College | ($24,060,000) | | | (23,531,046) |
| Lake Region State College | 400,000 | | | 602,211 |
| Williston State College | | | | 180,837 |
| University of North Dakota | (67,500,000) | | | (61,810,129) |
| UND Medical Center | | | | 1,325,144 |
| North Dakota State University | | | | 4,605,516 |
| State College of Science | (19,975,000) | | | (19,573,384) |
| Dickinson State University | 1,000,000 | | | 1,263,943 |
| Mayville State University | | | | 286,475 |
| Minot State University | (5,600,000) | | | (4,915,909) |
| Valley City State University | (13,500,000) | | | (13,252,269) |
| Dakota College at Bottineau | 500,000 | | | 595,125 |
| Forest Service | | $2,063 | | 2,063 |
| Bank of North Dakota | | | $10,000,000 | 10,000,000 |
| Total other funds | ($128,735,000) | $2,063 | $10,000,000 | ($104,606,548) |

## House Bill No. 1003 - All Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Bismarck State College | 102,493,948 | 141,013,611 | (18,215,975) | 122,797,636 |
| Lake Region State College | 39,513,580 | 42,136,398 | 1,319,377 | 43,455,775 |
| Williston State College | 35,306,272 | 82,009,207 | 309,192 | 82,318,399 |
| University of North Dakota | 906,584,896 | 1,198,001,089 | (90,357,910) | 1,107,643,179 |
| UND Medical Center | 228,929,208 | 246,725,638 | 2,054,389 | 248,780,027 |
| North Dakota State University | 763,848,425 | 920,309,083 | 5,951,539 | 926,260,622 |
| State College of Science | 96,559,844 | 121,371,653 | (17,933,013) | 103,438,640 |
| Dickinson State University | 51,235,138 | 74,317,834 | 3,088,746 | 77,406,580 |
| Mayville State University | 50,962,268 | 105,818,246 | 491,417 | 106,309,663 |
| Minot State University | 105,254,397 | 126,949,121 | (2,865,605) | 124,083,516 |
| Valley City State University | 50,539,223 | 90,901,990 | (12,991,477) | 77,910,513 |
| Dakota College at Bottineau | 23,754,062 | 31,247,197 | 704,028 | 31,951,225 |
| Forest Service | 15,461,793 | 24,714,730 | 65,163 | 24,779,893 |
| Bank of North Dakota | | | 10,000,000 | 10,000,000 |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($165,699,312) | $3,276,523,381 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## Detail of Senate Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($47,319,183) | | | | | |
| Bismarck State College | | $355,071 | $528,954 | | | |
| Lake Region State College | | 147,480 | 202,211 | $569,686 | | |
| Williston State College | | 128,355 | 180,837 | | | |
| University of North Dakota | | 1,835,887 | 5,689,871 | 616,332 | ($36,000,000) | |
| UND Medical Center | | 729,245 | 1,325,144 | | | |
| North Dakota State University | | 1,608,770 | 4,605,516 | 4,537,253 | | ($4,800,000) |
| State College of Science | | 635,024 | 401,616 | 1,005,347 | | |
| Dickinson State University | | 224,803 | 263,943 | | | |
| Mayville State University | | 204,942 | 286,475 | | | |
| Minot State University | | 450,304 | 684,091 | | | |
| Valley City State University | | 260,792 | 247,731 | | | |
| Dakota College at Bottineau | | 108,903 | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total all funds | ($47,319,183) | $6,689,576 | $14,511,514 | $6,728,618 | ($36,000,000) | ($4,800,000) |
| FTE | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

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| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total All Funds Changes |
|---|---|---|---|---|
| University System Office | | | | ($47,319,183) |
| Bismarck State College | ($19,100,000) | | | (18,215,975) |
| Lake Region State College | 400,000 | | | 1,319,377 |
| Williston State College | | | | 309,192 |
| University of North Dakota | (62,500,000) | | | (90,357,910) |
| UND Medical Center | | | | 2,054,389 |
| North Dakota State University | | | | 5,951,539 |
| State College of Science | (19,975,000) | | | (17,933,013) |
| Dickinson State University | 2,600,000 | | | 3,088,746 |
| Mayville State University | | | | 491,417 |
| Minot State University | (4,000,000) | | | (2,865,605) |
| Valley City State University | (13,500,000) | | | (12,991,477) |
| Dakota College at Bottineau | 500,000 | | | 704,028 |
| Forest Service | | $65,163 | | 65,163 |
| Bank of North Dakota | | | $10,000,000 | 10,000,000 |
| Total all funds | ($115,575,000) | $65,163 | $10,000,000 | ($165,699,312) |
| FTE | 0.00 | 0.00 | 0.00 | 1.00 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Salary increase | 0 | $145,345 | $5,459 | $150,804 |
| Health insurance increase | 0 | (2,532) | (118) | (2,650) |
| New vice chancellor position | 1.00 | 425,000 | 0 | 425,000 |
| Salaries funding source change | 0 | 561,327 | (561,327) | 0 |
| Financial aid staff | 0 | (125,000) | 0 | (125,000) |
| New financial aid system one-time costs | 0 | 115,000 | 0 | 115,000 |
| Total | 1.00 | $1,119,140 | ($555,986) | $563,154 |

The following schedule details funding adjustments for core technology services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $355,691 | $176,319 | $532,010 |
| Health insurance increase | (8,889) | (5,458) | (14,347) |
| Software and a security operations center | (1,500,000) | 0 | (1,500,000) |
| Total | ($1,153,198) | $170,861 | ($982,337) |

The following schedule details general fund adjustments in other line items in the University System office budget:

| | House Version | Senate Version | Change |
|---|---|---|---|
| Student financial assistance grants | $35,917,306 | $29,917,306 | ($6,000,000) |
| Tribally controlled community college grants | 2,000,000 | 1,400,000 | (600,000) |
| Challenge grants (one-time) | 36,000,000 | 20,000,000 | (16,000,000) |
| Severance agreement (one-time) | 0 | 300,000 | 300,000 |
| Passthrough grants (one-time) | 20,100,000 | 0 | (20,100,000) |
| Single parent support (one-time) | 4,500,000 | 0 | (4,500,000) |
| Total | $98,517,306 | $51,617,306 | ($46,900,000) |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

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**General Fund Adjustments**

| | Formula Adjustment | Salary Increase | Health Insurance Decrease | Total Increase |
|---|---|---|---|---|
| Bismarck State College | $0 | $369,687 | ($14,616) | $355,071 |
| Dakota College at Bottineau | 0 | 113,287 | (4,384) | 108,903 |
| Lake Region State College | 0 | 153,406 | (5,926) | 147,480 |
| North Dakota State College of Science | 231,285 | 419,719 | (15,980) | 635,024 |
| Williston State College | 0 | 132,726 | (4,371) | 128,355 |
| Dickinson State University | 0 | 233,352 | (8,549) | 224,803 |
| Mayville State University | 0 | 213,346 | (8,404) | 204,942 |
| Minot State University | 0 | 468,250 | (17,946) | 450,304 |
| Valley City State University | 0 | 273,761 | (12,969) | 260,792 |
| North Dakota State University | 0 | 1,663,524 | (54,754) | 1,608,770 |
| University of North Dakota | 0 | 1,880,889 | (45,002) | 1,835,887 |
| UND School of Medicine | 0 | 749,087 | (19,842) | 729,245 |
| Total | $231,285 | $6,671,034 | ($212,743) | $6,689,576 |

Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates. The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[3] The following adjustments are made to institution other funds appropriations:

**Other Funds Adjustments**

| | Salary Increase | Health Insurance Adjustment | Total |
|---|---|---|---|
| Bismarck State College | $550,866 | ($21,912) | $528,954 |
| Dakota College at Bottineau | 99,613 | (4,488) | 95,125 |
| Lake Region State College | 209,775 | (7,564) | 202,211 |
| North Dakota State College of Science | 419,623 | (18,007) | 401,616 |
| Williston State College | 187,102 | (6,265) | 180,837 |
| Dickinson State University | 274,835 | (10,892) | 263,943 |
| Mayville State University | 302,911 | (16,436) | 286,475 |
| Minot State University | 710,937 | (26,846) | 684,091 |
| Valley City State University | 259,853 | (12,122) | 247,731 |
| North Dakota State University | 4,773,896 | (168,380) | 4,605,516 |
| University of North Dakota | 5,888,793. | (198,922) | 5,689,871 |
| UND School of Medicine | 1,356,739 | (31,595) | 1,325,144 |
| Total | $15,034,943 | ($523,429) | $14,511,514 |

[4] Funding is added as follows for an adjusted minimum amount payable, to provide for a maximum reduction of $1 million under the funding formula for the University of North Dakota and North Dakota State University and for a 100 percent minimum amount payable for the remaining institutions:

| | General Fund |
|---|---|
| Lake Region State College | $569,686 |
| University of North Dakota | 616,332 |
| North Dakota State University | 4,537,253 |
| North Dakota State College of Science | 1,005,347 |
| Total | $6,728,618 |

[5] One-time funding is reduced by $36 million from the general fund to provide a total of $9 million for the University of North Dakota national security initiative. The House provided $45 million for the national security initiative.

[6] One-time funding of $4.8 million from the general fund added by the House for workforce education at North Dakota State University is removed by the Senate.

[7] One-time funding is adjusted for the following capital building projects:

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| | General Fund | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Removes funding for BSC multipurpose academic and athletic center | 0 | ($29,900,000) | ($1,600,000) | ($31,500,000) |
| Adds funding for BSC polytechnic building inflation | $4,960,000 | | 7,440,000 | 12,400,000 |
| Increases funding for LRSC wind turbine gearbox and parking lot | 0 | 0 | 400,000 | 400,000 |
| Adjusts funding for WSC medical healthcare building | 0 | (8,787,947) | 8,787,947 | 0 |
| Removes funding for UND science, technology, engineering, and math building | 0 | (52,000,000) | (23,000,000) | (75,000,000) |
| Provides funding for UND Merrifield Hall and Twamley Hall inflation | 5,000,000 | 0 | 7,500,000 | 12,500,000 |
| Removes funding for NDSCS agriculture, automation, and autonomous systems building | 0 | (18,975,000) | (1,000,000) | (19,975,000) |
| Provides funding for DSU generator and other projects inflation | 1,600,000 | 0 | 1,000,000 | 2,600,000 |
| Adjusts funding for MaSU Old Main renovation | 0 | (7,770,100) | 7,770,100 | 0 |
| Removes funding for MiSU academic building | 0 | (7,600,000) | (400,000) | (8,000,000) |
| Provides funding for MiSU Hartnett Hall inflation | 1,600,000 | 0 | 2,400,000 | 4,000,000 |
| Removes funding for VCSU McCarthy Hall | 0 | (11,500,000) | (2,000,000) | (13,500,000) |
| Increases funding for DCB Old Main renovation | 0 | (1,000,000) | 1,500,000 | 500,000 |
| Total capital projects | $13,160,000 | ($137,533,047) | $8,798,047 | ($115,575,000) |

[8] Salaries and wages funding for the Forest Service is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

| | General Fund | Other Funds | Total |
|---|---|---|---|
| Salary increase | $66,058 | $2,181 | $68,239 |
| Health insurance adjustment | (2,958) | (118) | (3,076) |
| Total | $63,100 | $2,063 | $65,163 |

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[9] One-time funding of $10 million from the economic diversification research fund is appropriated to the Bank of North Dakota for grants to institutions under the control of the state board of higher education. The funding is transferred to the economic diversification research fund from the strategic investment and improvements fund.

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**House Bill No. 1003 - Other Changes - Senate Action**

This amendment also:

- Removes a separate appropriation section for the Mayville State University Old Main project. The project appropriation is moved to Section 1 of the bill.
- Reduces funding for projects from the strategic investment and improvements fund (SIIF) by $137,533,047 to provide a total of $205,727,053 from SIIF for capital projects.
- Removes a section identifying $4.8 million from the general fund for workforce education at North Dakota State University.
- Removes a section identifying $4.5 million from the general fund for student support for single mothers.
- Adjusts the source of funds for the reimbursement of a North Dakota State University severance agreement to provide $300,000 from the general fund and the remainder from the University System office carryover funding.
- Reduces transfers from Bank of North Dakota profits to the career builders program from $15 million to $6.8 million.
- Adds sections to transfer $10 million from SIIF to a newly created economic diversification research fund.
- Adjusts the projects authorized to use funding from each institution's allocation in the University System capital building fund.
- Removes certain limitations on future institution requests for capital project funding.
- Removes a section allowing for a transfer of appropriation authority between the University of North Dakota and the School of Medicine and Health Sciences.
- Adjusts a section to provide for the commissioner of the North Dakota University System to provide an annual

report to the Legislative Management instead of the Budget Section.

- Removes a section requiring future severance agreements to be paid from the University System office budget and for the agreements to be approved by the Emergency Commission and Budget Section.
- Removes a section requiring the State Board of Higher Education to approve or deny a request for a new academic program within 30 days.
- Adjusts the funding available to each institution under the challenge grant program and restores limitations on the use of state matching funds.
- Adjusts the base funding rate under the higher education funding formula to provide for a 6 percent salary increase on July 1, 2023.
- Reduces the increase in the maximum grant award under the student financial assistance grants program.
- Exempts certain capital projects from matching requirements under the University System capital building fund program.
- Clarifies that funding appropriated during the November 2021 special session for the University of North Dakota Merrifield Hall project also may be used for a renovation of Twamley Hall.
- Provides for a Legislative Management study of dual-credit funding.
- Provides for a Legislative Management study of artificial intelligence impacts.
- Clarifies that the tuition increase limitation does not include a limitation on fees charged to students.
- Clarifies that both dental hygiene and dental assistant credits should be placed under the career and technical education program classification within the higher education funding formula.
- Provides an emergency declaration for capital projects.

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**REPORT OF STANDING COMMITTEE**

**HB 1003, as engrossed: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1003 was placed on the Sixth order on the calendar. This bill affects workforce development.

Page 1, line 2, after the semicolon insert "to provide an appropriation to the Bank of North Dakota;"

Page 1, line 2, replace "five" with "a new section to chapter 6-09, three"

Page 1, line 2, after "15-10" insert ", section 15-10-48.2,"

Page 1, line 3, after "to" insert "an economic diversification research fund, matching grants for agricultural research and extension,"

Page 1, line 4, remove "funding of severance agreements, academic program approval,"

Page 1, line 16, remove ", 15-10-53,"

Page 1, line 19, replace "pilot program" with "legislative management study"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 3,266,239 | 11,871,809 |
| Core technology services | 62,962,817 | 6,881,654 | 69,844,471 |
| Student financial assistance grants | 23,917,306 | 6,000,000 | 29,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 400,000 | 1,400,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 20,000,000 | 20,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |

| | | | |
|---|---|---|---|
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Severance agreements | 0 | 300,000 | 300,000 |
| Total all funds | $142,655,511 | $46,732,202 | $189,387,713 |
| Less estimated income | 25,757,035 | 487,073 | 26,244,108 |
| Total general fund | $116,898,476 | $46,245,129 | $163,143,605 |
| Full-time equivalent positions | 158.83 | 5.00 | 163.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $7,699,688 | $108,271,075 |
| Capital assets | 1,922,561 | 12,400,000 | 14,322,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $20,303,688 | $122,797,636 |
| Less estimated income | 70,409,893 | 10,869,688 | 81,279,581 |
| Total general fund | $32,084,055 | $9,434,000 | $41,518,055 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $2,263,509 | $41,414,422 |
| Capital assets | 362,667 | 1,000,000 | 1,362,667 |
| Minimum amount payable adjustment | 0 | 569,686 | 569,686 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $3,942,195 | $43,455,775 |
| Less estimated income | 25,271,428 | 2,257,339 | 27,528,767 |
| Total general fund | $14,242,152 | $1,684,856 | $15,927,008 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,929,048 | $36,973,352 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $47,012,127 | $82,318,399 |
| Less estimated income | 24,019,535 | 45,011,392 | 69,030,927 |
| Total general fund | $11,286,737 | $2,000,735 | $13,287,472 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $60,080,851 | $962,254,181 |
| Capital assets | 4,411,566 | 127,500,000 | 131,911,566 |
| Minimum amount payable adjustment | 0 | 616,332 | 616,332 |
| National security initiative | 0 | 9,000,000 | 9,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |

| | | | |
|---|---|---|---|
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $201,058,283 | $1,107,643,179 |
| Less estimated income | 755,657,771 | 156,803,837 | 912,461,608 |
| Total general fund | $150,927,125 | $44,254,446 | $195,181,571 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $46,573,844 | $802,623,165 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Minimum amount payable adjustment | 0 | 4,537,253 | 4,537,253 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $162,412,197 | $926,260,622 |
| Less estimated income | 625,417,100 | 135,106,551 | 760,523,651 |
| Total general fund | $138,431,325 | $27,305,646 | $165,736,971 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $5,686,699 | $101,234,164 |
| Capital assets | 1,012,379 | 0 | 1,012,379 |
| Minimum amount payable adjustment | 0 | 1,005,347 | 1,005,347 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $6,878,796 | $103,438,640 |
| Less estimated income | 60,845,052 | 2,639,567 | 63,484,619 |
| Total general fund | $35,714,792 | $4,239,229 | $39,954,021 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $5,244,442 | $56,070,502 |
| Capital assets | 409,078 | 20,600,000 | 21,009,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |
| Total all funds | $51,235,138 | $26,171,442 | $77,406,580 |
| Less estimated income | 30,992,408 | 20,685,562 | 51,677,970 |
| Total general fund | $20,242,730 | $5,485,880 | $25,728,610 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $5,068,561 | $55,671,837 |
| Capital assets | 358,992 | 49,970,100 | 50,329,092 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $55,347,395 | $106,309,663 |

| | | | |
|---|---|---|---|
| Less estimated income | 32,282,440 | 52,019,679 | 84,302,119 |
| Total general fund | $18,679,828 | $3,327,716 | $22,007,544 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $10,794,119 | $114,948,896 |
| Capital assets | 1,099,620 | 7,865,000 | 8,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $18,829,119 | $124,083,516 |
| Less estimated income | 64,047,767 | 10,588,652 | 74,636,419 |
| Total general fund | $41,206,630 | $8,240,467 | $49,447,097 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $5,135,290 | $55,218,690 |
| Capital assets | 455,823 | 22,000,000 | 22,455,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $27,371,290 | $77,910,513 |
| Less estimated income | 26,377,846 | 23,684,575 | 50,062,421 |
| Total general fund | $24,161,377 | $3,686,715 | $27,848,092 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,227,163 | $25,867,218 |
| Capital assets | 114,007 | 5,800,000 | 5,914,007 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $8,197,163 | $31,951,225 |
| Less estimated income | 14,216,200 | 6,434,747 | 20,650,947 |
| Total general fund | $9,537,862 | $1,762,416 | $11,300,278 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $19,850,819 | $238,103,877 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $19,850,819 | $248,780,027 |
| Less estimated income | 160,806,249 | 7,107,862 | 167,914,111 |
| Total general fund | $68,122,959 | $12,742,957 | $80,865,916 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,318,100 | $24,661,165 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,318,100 | $24,779,893 |
| Less estimated income | 10,669,315 | 8,471,957 | 19,141,272 |
| Total general fund | $4,792,478 | $846,143 | $5,638,621 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $171,256,335 | $857,584,861 |
| Grand total special funds | 1,926,770,039 | 482,168,481 | 2,408,938,520 |
| Grand total all funds | $2,613,098,565 | $653,424,816 | $3,266,523,381" |

Page 8, replace lines 8 through 12 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $205,727,053 |
| Capital project inflation - general fund | 0 | 13,160,000 |
| Capital projects - other funds | 4,363,000 | 179,161,986 |
| University of North Dakota national security initiative | 0 | 9,000,000 |
| Additional hold harmless adjustment | 0 | 6,728,618" |

Page 8, remove lines 28 through 31

Page 9, replace lines 1 through 6 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 20,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,669,354 |
| Severance agreement | 0 | 300,000 |
| Total all funds | $207,876,121 | $449,837,635 |
| Total other funds | 190,851,121 | 384,889,039 |
| Total general fund | $17,025,000 | $64,948,596" |

Page 9, remove lines 23 through 29

Page 10, line 9, replace "$293,290,000" with "$205,727,053"

Page 10, replace lines 11 through 23 with:

| | |
|---|---|
| "Williston state college medical healthcare building | $25,962,053 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Mayville state university old main renovation | 42,200,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Dakota college at Bottineau old main renovation | 3,300,000 |
| Total strategic investment and improvements fund | $205,727,053" |

Page 10, remove lines 24 through 30

Page 11, remove lines 1 through 30

Page 12, remove lines 1 through 4

Page 12, line 8, after the third comma insert "and any funds in the severance agreements line item in subdivision 1 of section 1 of this Act,"

Page 12, line 21, replace "$7,500,000" with "$3,400,000"

Page 12, line 26, replace "$7,500,000" with "$3,400,000"

Page 12, after line 28, insert:

"**SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND.** The office of management and budget shall transfer $10,000,000 from the strategic investment and improvements fund to the economic diversification research fund, the sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to institutions under the control of the state board of higher eduction, for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education."

Page 13, replace lines 20 and 21 with:

| | |
|---|---|
| "Bismarck state college polytechnic project inflation | $12,400,000 |
| Lake region state college wind turbine gearbox replacement and parking lot repairs" | 1,000,000 |

Page 13, replace line 24 with:

| | |
|---|---|
| "University of North Dakota Merrifield hall and Twamley hall project inflation | 12,500,000" |

Page 13, remove lines 26 and 27

Page 13, remove lines 29 and 30

Page 14, replace lines 1 and 2 with:

| | |
|---|---|
| "Dickinson state university generator and project inflation | 2,600,000 |
| Mayville state university old main renovation | 49,970,100 |
| Minot state university Hartnett hall project inflation | 4,000,000 |
| Dakota college at Bottineau old main renovation | 5,800,000 |
| Total | $308,870,100" |

Page 14, line 5, remove "The state board of higher education may not include requests for any state funds for"

Page 14, remove lines 6 through 15

Page 14, line 16, remove "3."

Page 14, line 19, replace "4." with "2."

Page 14, line 25, replace "5." with "3."

Page 14, line 25, replace "Any" with "It is the intent of the sixty-eighth legislative assembly that any"

Page 15, replace lines 3 through 10 with:

"**SECTION 15.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**Economic diversification research fund - Report to legislative management.**

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in or transferred to the fund pursuant to legislative action. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.

2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award grants to institutions under the control of the state board of higher education. Up to ninety percent of the funding must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.

4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations."

Page 15, line 13, remove "**budget**"

Page 15, line 14, replace "**section**" with "**legislative management**"

Page 15, line 15, remove "budget"

Page 15, line 16, replace "section" with "legislative management"

Page 15, remove lines 21 through 31

Page 16, remove lines 1 through 8

Page 22, line 3, replace "five million" with "two million seven hundred thousand"

Page 22, line 5, replace "four million" with "two million two hundred thousand"

Page 22, line 6, remove "each"

Page 22, line 7, remove "and the North Dakota state university"

Page 22, line 8, remove "main research center"

Page 22, after line 10, insert:

"**SECTION 23.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted as follows:

**Agricultural research and extension - Matching grants - North Dakota state university agricultural experiment station.**

1. a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of North Dakota state university for projects dedicated exclusively to agricultural research and extension at the agricultural experiment station. Notwithstanding section 15-10-53, awards under this section may be used for endowments, operations, facility repair projects, and new capital construction projects.

   b. To be eligible for a matching grant, the institution shall demonstrate:

      (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and

      (2) The project has been approved by the grant review committee established in section 15-10-51.

   c. The board may award up to two million two hundred thousand dollars in matching grants under this section.

   d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process."

Page 22, line 14, replace "Three million" with "One million seven hundred thousand"

Page 22, line 17, replace "Two million" with "One million one hundred thousand"

Page 22, line 19, replace "One million" with "Six hundred thousand"

Page 24, line 22, replace "$72.39" with "$73.15"

Page 24, line 24, replace "$102.78" with "$103.76"

Page 24, line 26, replace "$109.30" with "$110.38"

Page 25, line 25, replace "six hundred fifty" with "three hundred seventy-five"

Page 25, line 26, replace "One thousand one hundred" with "Nine hundred seventeen"

Page 27, line 28, remove ", 15-10-53,"

Page 28, line 11, remove "**- LAKE REGION STATE**"

Page 28, replace lines 12 through 15 with:

"Notwithstanding any matching requirements in chapter 15-54.1, the following projects are authorized to use funding from the respective institution's allocation in the university system capital building fund:

| | |
|---|---|
| Lake region state college wind turbine gearbox replacement and parking lot repairs | $1,000,000 |
| Williston state college medical healthcare building | 637,947 |
| Mayville state university old main renovation | 2,330,087 |
| Dakota college at Bottineau old main renovation | 1,000,000 |
| Total | $4,968,034" |

Page 28, line 27, after the second "programs" insert ", including for the Twamley hall project at the university of North Dakota,"

Page 28, after line 28, insert:

"**SECTION 41. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The study must include a review of all funding sources relating to dual-credit courses in the state, including tuition and fees, the higher education funding formula, elementary and secondary education integrated formula payments, institution scholarships, state scholarships, and the Bank of North Dakota. The study must also include a review of funding for dual-credit courses in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

**SECTION 42. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the emergence of artificial intelligence and the potential impacts on the state's institutions, agencies, businesses, citizens, and youth. The study must include a review of the effect of artificial intelligence on the provision of health care, effects on student learning, potential opportunities or threats to the integrity of state services, the potential impact on electoral processes, including mitigating action to be taken leading up to the 2024 state elections, opportunities for state investment or policy changes to promote artificial intelligence businesses, and cybersecurity implications across all state institutions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Page 28, line 31, remove "and fee"

Page 29, line 5, remove "and fee"

Page 30, line 1, after "hygienist" insert "and dental assistant"

Page 30, line 3, replace "Section 35" with "Sections 2, 5, 11, 12, 13, 32, 38, and the capital assets line items in section 1"

Page 30, line 3, replace "is" with "are"

Renumber accordingly

## STATEMENT OF PURPOSE OF AMENDMENT:

## House Bill No. 1003 - Summary of Senate Action

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | | | | |
| Total all funds | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Less estimated income | 25,757,035 | 26,629,233 | (385,125) | 26,244,108 |
| General fund | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| FTE | 158.83 | 162.83 | 1.00 | 163.83 |
| Bismarck State College | | | | |
| Total all funds | $102,493,948 | $141,013,611 | ($18,215,975) | $122,797,636 |
| Less estimated income | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| General fund | $32,084,055 | $36,202,984 | $5,315,071 | $41,518,055 |
| FTE | 332.90 | 335.33 | 0.00 | 335.33 |
| Lake Region State College | | | | |
| Total all funds | $39,513,580 | $42,136,398 | $1,319,377 | $43,455,775 |
| Less estimated income | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| General fund | $14,242,152 | $15,209,842 | $717,166 | $15,927,008 |
| FTE | 115.76 | 120.59 | 0.00 | 120.59 |
| Williston State College | | | | |
| Total all funds | $35,306,272 | $82,009,207 | $309,192 | $82,318,399 |
| Less estimated income | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| General fund | $11,286,737 | $13,159,117 | $128,355 | $13,287,472 |
| FTE | 101.29 | 102.83 | 0.00 | 102.83 |
| University of North Dakota | | | | |
| Total all funds | $906,584,896 | $1,198,001,089 | ($90,357,910) | $1,107,643,179 |
| Less estimated income | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| General fund | $150,927,125 | $223,729,352 | ($28,547,781) | $195,181,571 |
| FTE | 2,059.98 | 2,060.56 | 0.00 | 2,060.56 |
| UND Medical Center | | | | |
| Total all funds | $228,929,208 | $246,725,638 | $2,054,389 | $248,780,027 |
| Less estimated income | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| General fund | $68,122,959 | $80,136,671 | $729,245 | $80,865,916 |
| FTE | 492.67 | 488.83 | 0.00 | 488.83 |
| North Dakota State University | | | | |
| Total all funds | $763,848,425 | $920,309,083 | $5,951,539 | $926,260,622 |
| Less estimated income | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| General fund | $138,431,325 | $164,390,948 | $1,346,023 | $165,736,971 |
| FTE | 1,829.43 | 1,867.50 | 0.00 | 1,867.50 |
| State College of Science | | | | |
| Total all funds | $96,559,844 | $121,371,653 | ($17,933,013) | $103,438,640 |
| Less estimated income | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| General fund | $35,714,792 | $38,313,650 | $1,640,371 | $39,954,021 |
| FTE | 311.61 | 313.95 | 0.00 | 313.95 |
| Dickinson State University | | | | |
| Total all funds | $51,235,138 | $74,317,834 | $3,088,746 | $77,406,580 |
| Less estimated income | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| General fund | $20,242,730 | $23,903,807 | $1,824,803 | $25,728,610 |
| FTE | 175.50 | 178.00 | 0.00 | 178.00 |
| Mayville State University | | | | |
| Total all funds | $50,962,268 | $105,818,246 | $491,417 | $106,309,663 |
| Less estimated income | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| General fund | $18,679,828 | $21,802,602 | $204,942 | $22,007,544 |
| FTE | 230.35 | 226.92 | 0.00 | 226.92 |
| Minot State University | | | | |
| Total all funds | $105,254,397 | $126,949,121 | ($2,865,605) | $124,083,516 |
| Less estimated income | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| General fund | $41,206,630 | $47,396,793 | $2,050,304 | $49,447,097 |

| | | | | |
|---|---|---|---|---|
| FTE | 403.04 | 423.63 | 0.00 | 423.63 |
| Valley City State University | | | | |
| Total all funds | $50,539,223 | $90,901,990 | ($12,991,477) | $77,910,513 |
| Less estimated income | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| General fund | $24,161,377 | $27,587,300 | $260,792 | $27,848,092 |
| FTE | 202.77 | 211.94 | 0.00 | 211.94 |
| Dakota College at Bottineau | | | | |
| Total all funds | $23,754,062 | $31,247,197 | $704,028 | $31,951,225 |
| Less estimated income | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| General fund | $9,537,862 | $11,191,375 | $108,903 | $11,300,278 |
| FTE | 91.86 | 84.00 | 0.00 | 84.00 |
| Forest Service | | | | |
| Total all funds | $15,461,793 | $24,714,730 | $65,163 | $24,779,893 |
| Less estimated income | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |
| General fund | $4,792,478 | $5,575,521 | $63,100 | $5,638,621 |
| FTE | 28.00 | 29.00 | 0.00 | 29.00 |
| Bank of North Dakota | | | | |
| Total all funds | $0 | $0 | $10,000,000 | $10,000,000 |
| Less estimated income | 0 | 0 | 10,000,000 | 10,000,000 |
| General fund | $0 | $0 | $0 | $0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |
| Bill total | | | | |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($165,699,312) | $3,276,523,381 |
| Less estimated income | 1,926,770,039 | 2,523,545,068 | (104,606,548) | 2,418,938,520 |
| General fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## House Bill No. 1003 - General Fund Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| Bismarck State College | 32,084,055 | 36,202,984 | 5,315,071 | 41,518,055 |
| Lake Region State College | 14,242,152 | 15,209,842 | 717,166 | 15,927,008 |
| Williston State College | 11,286,737 | 13,159,117 | 128,355 | 13,287,472 |
| University of North Dakota | 150,927,125 | 223,729,352 | (28,547,781) | 195,181,571 |
| UND Medical Center | 68,122,959 | 80,136,671 | 729,245 | 80,865,916 |
| North Dakota State University | 138,431,325 | 164,390,948 | 1,346,023 | 165,736,971 |
| State College of Science | 35,714,792 | 38,313,650 | 1,640,371 | 39,954,021 |
| Dickinson State University | 20,242,730 | 23,903,807 | 1,824,803 | 25,728,610 |
| Mayville State University | 18,679,828 | 21,802,602 | 204,942 | 22,007,544 |
| Minot State University | 41,206,630 | 47,396,793 | 2,050,304 | 49,447,097 |
| Valley City State University | 24,161,377 | 27,587,300 | 260,792 | 27,848,092 |
| Dakota College at Bottineau | 9,537,862 | 11,191,375 | 108,903 | 11,300,278 |
| Forest Service | 4,792,478 | 5,575,521 | 63,100 | 5,638,621 |
| Bank of North Dakota | | | | |
| Total general fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |

## Detail of Senate Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($46,934,058) | | | | | |
| Bismarck State College | | $355,071 | | | | |
| Lake Region State College | | 147,480 | | $569,686 | | |
| Williston State College | | 128,355 | | | | |
| University of North Dakota | | 1,835,887 | | 616,332 | ($36,000,000) | |
| UND Medical Center | | 729,245 | | | | |
| North Dakota State University | | 1,608,770 | | 4,537,253 | | ($4,800,000) |
| State College of Science | | 635,024 | | 1,005,347 | | |
| Dickinson State University | | 224,803 | | | | |
| Mayville State University | | 204,942 | | | | |
| Minot State University | | 450,304 | | | | |
| Valley City State University | | 260,792 | | | | |
| Dakota College at Bottineau | | 108,903 | | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total general fund | ($46,934,058) | $6,689,576 | $0 | $6,728,618 | ($36,000,000) | ($4,800,000) |

| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total the General Fund Changes |
|---|---|---|---|---|
| University System Office | | | | ($46,934,058) |
| Bismarck State College | $4,960,000 | | | 5,315,071 |
| Lake Region State College | | | | 717,166 |
| Williston State College | | | | 128,355 |
| University of North Dakota | 5,000,000 | | | (28,547,781) |
| UND Medical Center | | | | 729,245 |
| North Dakota State University | | | | 1,346,023 |
| State College of Science | | | | 1,640,371 |
| Dickinson State University | 1,600,000 | | | 1,824,803 |
| Mayville State University | | | | 204,942 |
| Minot State University | 1,600,000 | | | 2,050,304 |
| Valley City State University | | | | 260,792 |
| Dakota College at Bottineau | | | | 108,903 |
| Forest Service | | $63,100 | | 63,100 |
| Bank of North Dakota | | | | |
| Total general fund | $13,160,000 | $63,100 | $0 | ($61,092,764) |

## House Bill No. 1003 - Other Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $25,757,035 | $26,629,233 | ($385,125) | $26,244,108 |
| Bismarck State College | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| Lake Region State College | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| Williston State College | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| University of North Dakota | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| UND Medical Center | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| North Dakota State University | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| State College of Science | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| Dickinson State University | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| Mayville State University | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| Minot State University | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| Valley City State University | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| Dakota College at Bottineau | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| Forest Service | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |
| Bank of North Dakota | | | 10,000,000 | 10,000,000 |
| Total other funds | $1,926,770,039 | $2,523,545,068 | ($104,606,548) | $2,418,938,520 |

## Detail of Senate Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($385,125) | | | | | |
| Bismarck State College | | | $528,954 | | | |
| Lake Region State College | | | 202,211 | | | |
| Williston State College | | | 180,837 | | | |
| University of North Dakota | | | 5,689,871 | | | |
| UND Medical Center | | | 1,325,144 | | | |
| North Dakota State University | | | 4,605,516 | | | |
| State College of Science | | | 401,616 | | | |
| Dickinson State University | | | 263,943 | | | |
| Mayville State University | | | 286,475 | | | |
| Minot State University | | | 684,091 | | | |
| Valley City State University | | | 247,731 | | | |
| Dakota College at Bottineau | | | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total other funds | ($385,125) | $0 | $14,511,514 | $0 | $0 | $0 |

| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total Other Funds Changes |
|---|---|---|---|---|
| University System Office | | | | ($385,125) |
| Bismarck State College | ($24,060,000) | | | (23,531,046) |
| Lake Region State College | 400,000 | | | 602,211 |
| Williston State College | | | | 180,837 |
| University of North Dakota | (67,500,000) | | | (61,810,129) |
| UND Medical Center | | | | 1,325,144 |
| North Dakota State University | | | | 4,605,516 |
| State College of Science | (19,975,000) | | | (19,573,384) |
| Dickinson State University | 1,000,000 | | | 1,263,943 |
| Mayville State University | | | | 286,475 |
| Minot State University | (5,600,000) | | | (4,915,909) |
| Valley City State University | (13,500,000) | | | (13,252,269) |
| Dakota College at Bottineau | 500,000 | | | 595,125 |
| Forest Service | | $2,063 | | 2,063 |
| Bank of North Dakota | | | $10,000,000 | 10,000,000 |
| Total other funds | ($128,735,000) | $2,063 | $10,000,000 | ($104,606,548) |

## House Bill No. 1003 - All Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Bismarck State College | 102,493,948 | 141,013,611 | (18,215,975) | 122,797,636 |
| Lake Region State College | 39,513,580 | 42,136,398 | 1,319,377 | 43,455,775 |
| Williston State College | 35,306,272 | 82,009,207 | 309,192 | 82,318,399 |
| University of North Dakota | 906,584,896 | 1,198,001,089 | (90,357,910) | 1,107,643,179 |
| UND Medical Center | 228,929,208 | 246,725,638 | 2,054,389 | 248,780,027 |
| North Dakota State University | 763,848,425 | 920,309,083 | 5,951,539 | 926,260,622 |
| State College of Science | 96,559,844 | 121,371,653 | (17,933,013) | 103,438,640 |
| Dickinson State University | 51,235,138 | 74,317,834 | 3,088,746 | 77,406,580 |
| Mayville State University | 50,962,268 | 105,818,246 | 491,417 | 106,309,663 |
| Minot State University | 105,254,397 | 126,949,121 | (2,865,605) | 124,083,516 |
| Valley City State University | 50,539,223 | 90,901,990 | (12,991,477) | 77,910,513 |
| Dakota College at Bottineau | 23,754,062 | 31,247,197 | 704,028 | 31,951,225 |
| Forest Service | 15,461,793 | 24,714,730 | 65,163 | 24,779,893 |
| Bank of North Dakota | | | 10,000,000 | 10,000,000 |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($165,699,312) | $3,276,523,381 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## Detail of Senate Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($47,319,183) | | | | | |
| Bismarck State College | | $355,071 | $528,954 | | | |
| Lake Region State College | | 147,480 | 202,211 | $569,686 | | |
| Williston State College | | 128,355 | 180,837 | | | |
| University of North Dakota | | 1,835,887 | 5,689,871 | 616,332 | ($36,000,000) | |
| UND Medical Center | | 729,245 | 1,325,144 | | | |
| North Dakota State University | | 1,608,770 | 4,605,516 | 4,537,253 | | ($4,800,000) |
| State College of Science | | 635,024 | 401,616 | 1,005,347 | | |
| Dickinson State University | | 224,803 | 263,943 | | | |
| Mayville State University | | 204,942 | 286,475 | | | |
| Minot State University | | 450,304 | 684,091 | | | |
| Valley City State University | | 260,792 | 247,731 | | | |
| Dakota College at Bottineau | | 108,903 | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total all funds | ($47,319,183) | $6,689,576 | $14,511,514 | $6,728,618 | ($36,000,000) | ($4,800,000) |
| FTE | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total All Funds Changes |
|---|---|---|---|---|
| University System Office | | | | ($47,319,183) |
| Bismarck State College | ($19,100,000) | | | (18,215,975) |
| Lake Region State College | 400,000 | | | 1,319,377 |
| Williston State College | | | | 309,192 |
| University of North Dakota | (62,500,000) | | | (90,357,910) |
| UND Medical Center | | | | 2,054,389 |
| North Dakota State University | | | | 5,951,539 |
| State College of Science | (19,975,000) | | | (17,933,013) |
| Dickinson State University | 2,600,000 | | | 3,088,746 |
| Mayville State University | | | | 491,417 |
| Minot State University | (4,000,000) | | | (2,865,605) |
| Valley City State University | (13,500,000) | | | (12,991,477) |
| Dakota College at Bottineau | 500,000 | | | 704,028 |
| Forest Service | | $65,163 | | 65,163 |
| Bank of North Dakota | | | $10,000,000 | 10,000,000 |
| Total all funds | ($115,575,000) | $65,163 | $10,000,000 | ($165,699,312) |
| FTE | 0.00 | 0.00 | 0.00 | 1.00 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Salary increase | 0 | $145,345 | $5,459 | $150,804 |
| Health insurance increase | 0 | (2,532) | (118) | (2,650) |
| New vice chancellor position | 1.00 | 425,000 | 0 | 425,000 |
| Salaries funding source change | 0 | 561,327 | (561,327) | 0 |
| Financial aid staff | 0 | (125,000) | 0 | (125,000) |
| New financial aid system one-time costs | 0 | 115,000 | 0 | 115,000 |
| Total | 1.00 | $1,119,140 | ($555,986) | $563,154 |

The following schedule details funding adjustments for core technology services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $355,691 | $176,319 | $532,010 |
| Health insurance increase | (8,889) | (5,458) | (14,347) |
| Software and a security operations center | (1,500,000) | 0 | (1,500,000) |
| Total | ($1,153,198) | $170,861 | ($982,337) |

The following schedule details general fund adjustments in other line items in the University System office budget:

| | House Version | Senate Version | Change |
|---|---|---|---|
| Student financial assistance grants | $35,917,306 | $29,917,306 | ($6,000,000) |
| Tribally controlled community college grants | 2,000,000 | 1,400,000 | (600,000) |
| Challenge grants (one-time) | 36,000,000 | 20,000,000 | (16,000,000) |
| Severance agreement (one-time) | 0 | 300,000 | 300,000 |
| Passthrough grants (one-time) | 20,100,000 | 0 | (20,100,000) |
| Single parent support (one-time) | 4,500,000 | 0 | (4,500,000) |
| Total | $98,517,306 | $51,617,306 | ($46,900,000) |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

**General Fund Adjustments**

| | Formula Adjustment | Salary Increase | Health Insurance Decrease | Total Increase |
|---|---|---|---|---|
| Bismarck State College | $0 | $369,687 | ($14,616) | $355,071 |
| Dakota College at Bottineau | 0 | 113,287 | (4,384) | 108,903 |
| Lake Region State College | 0 | 153,406 | (5,926) | 147,480 |
| North Dakota State College of Science | 231,285 | 419,719 | (15,980) | 635,024 |
| Williston State College | 0 | 132,726 | (4,371) | 128,355 |
| Dickinson State University | 0 | 233,352 | (8,549) | 224,803 |
| Mayville State University | 0 | 213,346 | (8,404) | 204,942 |
| Minot State University | 0 | 468,250 | (17,946) | 450,304 |
| Valley City State University | 0 | 273,761 | (12,969) | 260,792 |
| North Dakota State University | 0 | 1,663,524 | (54,754) | 1,608,770 |
| University of North Dakota | 0 | 1,880,889 | (45,002) | 1,835,887 |
| UND School of Medicine | 0 | 749,087 | (19,842) | 729,245 |
| Total | $231,285 | $6,671,034 | ($212,743) | $6,689,576 |

Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates. The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[3] The following adjustments are made to institution other funds appropriations:

**Other Funds Adjustments**

| | Salary Increase | Health Insurance Adjustment | Total |
|---|---|---|---|
| Bismarck State College | $550,866 | ($21,912) | $528,954 |
| Dakota College at Bottineau | 99,613 | (4,488) | 95,125 |
| Lake Region State College | 209,775 | (7,564) | 202,211 |
| North Dakota State College of Science | 419,623 | (18,007) | 401,616 |
| Williston State College | 187,102 | (6,265) | 180,837 |
| Dickinson State University | 274,835 | (10,892) | 263,943 |
| Mayville State University | 302,911 | (16,436) | 286,475 |
| Minot State University | 710,937 | (26,846) | 684,091 |
| Valley City State University | 259,853 | (12,122) | 247,731 |
| North Dakota State University | 4,773,896 | (168,380) | 4,605,516 |
| University of North Dakota | 5,888,793. | (198,922) | 5,689,871 |
| UND School of Medicine | 1,356,739 | (31,595) | 1,325,144 |
| Total | $15,034,943 | ($523,429) | $14,511,514 |

[4] Funding is added as follows for an adjusted minimum amount payable, to provide for a maximum reduction of $1 million under the funding formula for the University of North Dakota and North Dakota State University and for a 100 percent minimum amount payable for the remaining institutions:

| | General Fund |
|---|---|
| Lake Region State College | $569,686 |
| University of North Dakota | 616,332 |
| North Dakota State University | 4,537,253 |
| North Dakota State College of Science | 1,005,347 |
| Total | $6,728,618 |

[5] One-time funding is reduced by $36 million from the general fund to provide a total of $9 million for the University of North Dakota national security initiative. The House provided $45 million for the national security initiative.

[6] One-time funding of $4.8 million from the general fund added by the House for workforce education at North Dakota State University is removed by the Senate.

[7] One-time funding is adjusted for the following capital building projects:

| | General Fund | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Removes funding for BSC multipurpose academic and athletic center | 0 | ($29,900,000) | ($1,600,000) | ($31,500,000) |
| Adds funding for BSC polytechnic building inflation | $4,960,000 | | 7,440,000 | 12,400,000 |
| Increases funding for LRSC wind turbine gearbox and parking lot | 0 | 0 | 400,000 | 400,000 |
| Adjusts funding for WSC medical healthcare building | 0 | (8,787,947) | 8,787,947 | 0 |
| Removes funding for UND science, technology, engineering, and math building | 0 | (52,000,000) | (23,000,000) | (75,000,000) |
| Provides funding for UND Merrifield Hall and Twamley Hall inflation | 5,000,000 | 0 | 7,500,000 | 12,500,000 |
| Removes funding for NDSCS agriculture, automation, and autonomous systems building | 0 | (18,975,000) | (1,000,000) | (19,975,000) |
| Provides funding for DSU generator and other projects inflation | 1,600,000 | 0 | 1,000,000 | 2,600,000 |
| Adjusts funding for MaSU Old Main renovation | 0 | (7,770,100) | 7,770,100 | 0 |
| Removes funding for MiSU academic building | 0 | (7,600,000) | (400,000) | (8,000,000) |
| Provides funding for MiSU Hartnett Hall inflation | 1,600,000 | 0 | 2,400,000 | 4,000,000 |
| Removes funding for VCSU McCarthy Hall | 0 | (11,500,000) | (2,000,000) | (13,500,000) |
| Increases funding for DCB Old Main renovation | 0 | (1,000,000) | 1,500,000 | 500,000 |
| Total capital projects | $13,160,000 | ($137,533,047) | $8,798,047 | ($115,575,000) |

[8] Salaries and wages funding for the Forest Service is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

| | General Fund | Other Funds | Total |
|---|---|---|---|
| Salary increase | $66,058 | $2,181 | $68,239 |
| Health insurance adjustment | (2,958) | (118) | (3,076) |
| Total | $63,100 | $2,063 | $65,163 |

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[9] One-time funding of $10 million from the economic diversification research fund is appropriated to the Bank of North Dakota for grants to institutions under the control of the state board of higher education. The funding is transferred to the economic diversification research fund from the strategic investment and improvements fund.

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**House Bill No. 1003 - Other Changes - Senate Action**

This amendment also:

- Removes a separate appropriation section for the Mayville State University Old Main project. The project appropriation is moved to Section 1 of the bill.
- Reduces funding for projects from the strategic investment and improvements fund (SIIF) by $137,533,047 to provide a total of $205,727,053 from SIIF for capital projects.
- Removes a section identifying $4.8 million from the general fund for workforce education at North Dakota State University.
- Removes a section identifying $4.5 million from the general fund for student support for single mothers.
- Adjusts the source of funds for the reimbursement of a North Dakota State University severance agreement to provide $300,000 from the general fund and the remainder from the University System office carryover funding.
- Reduces transfers from Bank of North Dakota profits to the career builders program from $15 million to $6.8 million.

- Adds sections to transfer $10 million from SIIF to a newly created economic diversification research fund.
- Adjusts the projects authorized to use funding from each institution's allocation in the University System capital building fund.
- Removes certain limitations on future institution requests for capital project funding.
- Removes a section allowing for a transfer of appropriation authority between the University of North Dakota and the School of Medicine and Health Sciences.
- Adjusts a section to provide for the commissioner of the North Dakota University System to provide an annual report to the Legislative Management instead of the Budget Section.
- Removes a section requiring future severance agreements to be paid from the University System office budget and for the agreements to be approved by the Emergency Commission and Budget Section.
- Removes a section requiring the State Board of Higher Education to approve or deny a request for a new academic program within 30 days.
- Adjusts the funding available to each institution under the challenge grant program and restores limitations on the use of state matching funds.
- Adjusts the base funding rate under the higher education funding formula to provide for a 6 percent salary increase on July 1, 2023.
- Reduces the increase in the maximum grant award under the student financial assistance grants program.
- Exempts certain capital projects from matching requirements under the University System capital building fund program.
- Clarifies that funding appropriated during the November 2021 special session for the University of North Dakota Merrifield Hall project also may be used for a renovation of Twamley Hall.
- Provides for a Legislative Management study of dual-credit funding.
- Provides for a Legislative Management study of artificial intelligence impacts.
- Clarifies that the tuition increase limitation does not include a limitation on fees charged to students.
- Clarifies that both dental hygiene and dental assistant credits should be placed under the career and technical education program classification within the higher education funding formula.
- Provides an emergency declaration for capital projects.

**2023 CONFERENCE COMMITTEE**

**HB 1003**

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**4/18/2023**

**Conference Committee**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**8:05 AM Chairman Sanford** started the meeting.

Members present: Chairman Sanford, Reps. Martinson, Swiontek, Senators: Sorvaag, Schaible, Krebsbach

**Discussion Topics:**

- Base budgets
- Systemwide Projects/Initiatives
- Student Grants
- Challenge Grants
- Capital Building Fund
- ARPA
- System Security and Research
- Financial Aid
- Capital Projects

Representative Sanford opened the discussion on HB 1003.

Senator Sorvaag began by explaining the NDUS handout, #27652, #27653.

Representative Martinson addressed questions on the budget.

Alex Cronquist, Legislative Council was asked about budget changes.

Representative Swiontek addressed questions regarding the vice chancellor position.

**8:55 AM Chairman Sanford** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**4/19/2023**

**Conference Committee**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**8:01 AM Chairman Sanford** started the meeting.

Members present: Representatives: Sanford, Martinson, Swiontek,
Senators: Sorvaag, Krebsbach, Schaible

**Discussion Topics:**

- General Fund
- Facilities Package
- Tier I Planning
- BSC Construction
- Tuition Freeze
- Innovation Grant Program
- Forest Service
- Dual Credit Scholarship
- Career Academies
- Economic Diversification
- Challenge Grant

Representative Sanford opened the discussion on HB 1003, #27653 previously sited 4/18/2023.

Senator Sorvaag asked for clarification.

Representative Martinson addressed questions on the budget.

**8:37 AM Chairman Sanford** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**4/20/2023**

**Conference Committee**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**11:00 AM Chairman Sanford** started the meeting.

Members present: Representatives: Sanford, Martinson, Swiontek,
Senators: Sorvaag, Krebsbach, Schaible

**Discussion Topics:**

- Salaries
- Space Initiative
- Workforce Initiative Grant
- Challenge Grants
- Inflationary Adjustments
- Capital Building Funds
- Polytech
- Northern Tier
- Licensing
- Facilities
- Capital Projects Plan

Representative Sanford opened the discussion on HB 1003, #27653, previously sited 4/18/23.

Senator Sorvaag asked questions regarding HB 1003.

Senator Krebsbach asked questions regarding salaries.

Representative Martinson addressed questions on the budget.

Alex Cronquist, Legislative Council was asked about budget changes.

Representative Swiontek addressed questions regarding the budget.

Senator Sorvaag passed out and explained the Institution Capital Projects Plan, #27748.

Representative Sanford presented 23.0232.02009, #27747.

Senator Sorvaag moved 23.0232.02009.

Representative Swiontek seconded the motion.

Roll Call Vote:

Motion Carried 6-0-0.

**11:49 AM Chairman Sanford** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

Date: 4/20/2023
Roll Call Vote #1

**2023 HOUSE CONFERENCE COMMITTEE**
**ROLL CALL VOTES**

HB 1003 as engrossed

**House Education and Environment Committee**

**Action Taken**
- ☐ **HOUSE accede to Senate Amendments**
- ☐ **HOUSE accede to Senate Amendments and further amend**
- ☐ **SENATE recede from Senate amendments**
- ☐ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Sorvaag Seconded by: Representative Swiontek

| Representatives | 4/18 | 4/19 | 4/20 | Yes | No | | Senators | 4/18 | 4/19 | 4/20 | Yes | No |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sanford | X | X | X | X | | | Sorvaag | X | X | X | X | |
| Swiontek | X | X | X | X | | | Schaible | X | X | X | X | |
| Martinson | X | X | X | X | | | Krebsbach | X | X | X | X | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total Rep. Vote | | | | 3 | 0 | | Total Senate Vote | | | | 3 | 0 |

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number 23.0232 . 02009 of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment:

Amendment 23.0232.02009

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**
**4/21/2023**

**Conference Committee**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**9:31 AM Chairman Sanford** started the meeting.

Members present: Representatives: Sanford, Swiontek, and Martinson
Senators: Sorvaag, Schaible, and Krebsbach

**Discussion Topics:**

- Facilities
- Challenge Grant
- Tier I Funding
- Research and Extension

Representative Sanford opened the discussion on HB 1003, #27782.

Representative Martinson discussed funding authority for BSC.

Senator Krebsbach asked for clarification on authority.

Senator Sorvaag asked questions on oversite of challenge grants.

Dave Krebsbach, Financial Director NDUS explained a line item.

Representative Martinson moved 23.0232.02008, #27783.

Representative Sanford seconded.

Roll Call Vote:

Motion Carried 6-0-0.

**10:06 AM Chairman Sanford** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

Date: 4/21/2023
Roll Call Vote #1

**2023 HOUSE CONFERENCE COMMITTEE**
**ROLL CALL VOTES**

**HB 1003 as engrossed**

**House Education and Environment Committee**

**Action Taken**
- ☐ **HOUSE accede to Senate Amendments**
- ☐ **HOUSE accede to Senate Amendments and further amend**
- ☐ **SENATE recede from Senate amendments**
- ☐ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Martinson Seconded by: Representative Sanford

| Representatives | 4/20 | | | Yes | No | | Senators | 4/20 | | | Yes | No |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sanford | X | | | X | | | Sorvaag | X | | | X | |
| Swiontek | X | | | X | | | Schaible | X | | | X | |
| Martinson | X | | | X | | | Krebsbach | X | | | X | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total Rep. Vote | | | | 3 | 0 | | Total Senate Vote | | | | 3 | 0 |

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number 23.0232 . 02008 of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment:

Amendment 23.0232.02008

# 2023 HOUSE STANDING COMMITTEE MINUTES

**Appropriations - Education and Environment Division**
Prairie Room, State Capitol

**HB 1003**

**4/21/2023**

**Conference Committee**

**A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a report; and to provide an exemption.**

**6:02 PM Chairman Sanford** started the meeting.

Members present: Representatives: Sanford, Swiontek, and Martinson
Senators: Sorvaag, Schaible, and Krebsbach

**Discussion Topics:**

- Research Grants
- Funding for Facilities

Representative Sanford opened the discussion on HB 1003.

Representative Martinson moved line of credit for Mayville, intent for Mayville to be funded over two biennia with a 7% inflationary factor for the second year.

Representative Swiontek seconded the motion.

Roll Call Vote:

Motion carried 5-1-0.

Senator Sorvaag moved the $500,000 for research for the smaller institutions other than NDSU and UND.

Representative Swiontek seconded the motion.

Motion Carried 6-0-0.

Alex Cronquist, Legislative Council clarified changes to the bill.

Senator Sorvaag moved the Senate recede from Senate amendments and amend as follows with 23.0232.02010.

Representative Swiontek seconded the motion.

Roll Call Roll:

Motion Carries 6-0-0.

Representative Sanford and Senator Sorvaag will carry the bill.

**6:49 PM Chairman Sanford** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

23.0232.02010
Title.04000
Fiscal No. 1

Prepared by the Legislative Council staff for
Conference Committee
April 24, 2023

DR
1 of 21
4-25-23

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

That the Senate recede from its amendments as printed on pages 1875-1890 of the House Journal and pages 1603-1618 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide an appropriation to the Bank of North Dakota;"

Page 1, line 2, replace "five" with "a new section to chapter 6-09, four"

Page 1, line 2, after "15-10" insert ", section 15-10-48.2,"

Page 1, line 3, after "to" insert "an economic diversification research fund, matching grants for agricultural research and extension, the Bismarck state college polytechnic center,"

Page 1, line 4, remove "funding of severance agreements, academic program approval,"

Page 1, line 16, remove ", 15-10-53,"

Page 1, line 17, remove ", the definition of the advancement"

Page 1, line 18, remove "of academics,"

Page 1, line 19, replace "pilot program" with "legislative management study; to provide loan authorization for the Mayville state university old main project"

Page 2, line 4, replace "biennium beginning July 1, 2023" with "period beginning with the effective date of this Act"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 3,241,239 | 11,846,809 |
| Core technology services | 62,962,817 | 8,081,654 | 71,044,471 |
| Student financial assistance grants | 23,917,306 | 6,000,000 | 29,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |

| | | | |
|---|---|---|---|
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 400,000 | 1,400,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 20,000,000 | 20,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Total all funds | $142,655,511 | $37,607,202 | $180,262,713 |
| Less estimated income | 25,757,035 | 487,073 | 26,244,108 |
| Total general fund | $116,898,476 | $37,120,129 | $154,018,605 |
| Full-time equivalent positions | 158.83 | 4.00 | 162.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $7,699,688 | $108,271,075 |
| Capital assets | 1,922,561 | 43,900,000 | 45,822,561 |
| Total all funds | $102,493,948 | $51,599,688 | $154,093,636 |
| Less estimated income | 70,409,893 | 37,369,688 | 107,779,581 |
| Total general fund | $32,084,055 | $14,230,000 | $46,314,055 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $2,263,509 | $41,414,422 |
| Capital assets | 362,667 | 1,000,000 | 1,362,667 |
| Total all funds | $39,513,580 | $3,263,509 | $42,777,089 |
| Less estimated income | 25,271,428 | 2,257,339 | 27,528,767 |
| Total general fund | $14,242,152 | $1,006,170 | $15,248,322 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,929,048 | $36,973,352 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Total all funds | $35,306,272 | $46,842,987 | $82,149,259 |
| Less estimated income | 24,019,535 | 45,011,392 | 69,030,927 |

| | | | |
|---|---|---|---|
| Total general fund | $11,286,737 | $1,831,595 | $13,118,332 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

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Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $60,080,851 | $962,254,181 |
| Capital assets | 4,411,566 | 127,500,000 | 131,911,566 |
| National security initiative | 0 | 9,000,000 | 9,000,000 |
| Research network | 0 | 2,500,000 | 2,500,000 |
| Total all funds | $906,584,896 | $199,080,851 | $1,105,665,747 |
| Less estimated income | 755,657,771 | 156,803,837 | 912,461,608 |
| Total general fund | $150,927,125 | $42,277,014 | $193,204,139 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $46,573,844 | $802,623,165 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Minimum amount payable adjustment | 0 | 4,800,000 | 4,800,000 |
| Research network | 0 | 2,500,000 | 2,500,000 |
| Total all funds | $763,848,425 | $160,873,844 | $924,722,269 |
| Less estimated income | 625,417,100 | 135,106,551 | 760,523,651 |
| Total general fund | $138,431,325 | $25,767,293 | $164,198,618 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $5,686,699 | $101,234,164 |
| Capital assets | 1,012,379 | 19,975,000 | 20,987,379 |
| Minimum amount payable adjustment | 0 | 1,005,347 | 1,005,347 |
| Total all funds | $96,559,844 | $26,667,046 | $123,226,890 |
| Less estimated income | 60,845,052 | 22,614,567 | 83,459,619 |
| Total general fund | $35,714,792 | $4,052,479 | $39,767,271 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $5,244,442 | $56,070,502 |
| Capital assets | 409,078 | 20,600,000 | 21,009,078 |

| | | | |
|---|---|---|---|
| Total all funds | $51,235,138 | $25,844,442 | $77,079,580 |
| Less estimated income | 30,992,408 | 20,685,562 | 51,677,970 |
| Total general fund | $20,242,730 | $5,158,880 | $25,401,610 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

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Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $6,818,561 | $57,421,837 |
| Capital assets | 358,992 | 17,330,087 | 17,689,079 |
| Total all funds | $50,962,268 | $24,148,648 | $75,110,916 |
| Less estimated income | 32,282,440 | 19,379,666 | 51,662,106 |
| Total general fund | $18,679,828 | $4,768,982 | $23,448,810 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $10,794,119 | $114,948,896 |
| Capital assets | 1,099,620 | 7,865,000 | 8,964,620 |
| Total all funds | $105,254,397 | $18,659,119 | $123,913,516 |
| Less estimated income | 64,047,767 | 10,588,652 | 74,636,419 |
| Total general fund | $41,206,630 | $8,070,467 | $49,277,097 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $5,135,290 | $55,218,690 |
| Capital assets | 455,823 | 35,500,000 | 35,955,823 |
| Total all funds | $50,539,223 | $40,635,290 | $91,174,513 |
| Less estimated income | 26,377,846 | 37,184,575 | 63,562,421 |
| Total general fund | $24,161,377 | $3,450,715 | $27,612,092 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,227,163 | $25,867,218 |
| Capital assets | 114,007 | 5,300,000 | 5,414,007 |
| Total all funds | $23,754,062 | $7,527,163 | $31,281,225 |
| Less estimated income | 14,216,200 | 5,934,747 | 20,150,947 |

| | | | |
|---|---|---|---|
| Total general fund | $9,537,862 | $1,592,416 | $11,130,278 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

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Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $19,850,819 | $238,103,877 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $19,850,819 | $248,780,027 |
| Less estimated income | 160,806,249 | 7,107,862 | 167,914,111 |
| Total general fund | $68,122,959 | $12,742,957 | $80,865,916 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,318,100 | $24,661,165 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,318,100 | $24,779,893 |
| Less estimated income | 10,669,315 | 8,471,957 | 19,141,272 |
| Total general fund | $4,792,478 | $846,143 | $5,638,621 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $162,915,240 | $849,243,766 |
| Grand total special funds | 1,926,770,039 | 509,003,468 | 2,435,773,507 |
| Grand total all funds | $2,613,098,565 | $671,918,708 | $3,285,017,273" |

Page 8, replace lines 8 through 12 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $209,976,971 |
| Capital project inflation - general fund | 0 | 18,160,000 |
| Capital projects - other funds | 4,363,000 | 201,747,055 |
| University of North Dakota national security initiative | 0 | 9,000,000 |
| North Dakota state university additional minimum amount payable adjustment | 0 | 4,800,000 |
| North Dakota state college of science additional minimum amount payable adjustment | 0 | 1,005,347 |
| Mayville state university discretionary funding | 0 | 1,750,000" |

Page 8, remove lines 28 through 31

Page 9, replace lines 1 through 6 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 20,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Financial aid software | 0 | 1,669,354 |
| Total all funds | $207,876,121 | $468,558,727 |
| Total other funds | 190,851,121 | 411,724,026 |
| Total general fund | $17,025,000 | $56,834,701" |

Page 9, line 22, replace "sections 1 and 4" with "section 1"

Page 9, remove lines 23 through 29

Page 10, line 9, replace "$293,290,000" with "$209,976,971"

Page 10, replace lines 11 through 23 with:

| | |
|---|---|
| "Williston state college medical healthcare building | $27,962,053 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 18,975,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Mayville state university old main renovation | 15,000,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Valley City state university McCarthy hall renovation | 10,474,918 |
| Dakota college at Bottineau old main renovation | 3,300,000 |
| Total strategic investment and improvements fund | $209,976,971" |

Page 10, remove lines 24 through 30

Page 11, remove lines 1 through 30

Page 12, remove lines 1 through 4

Page 12, line 21, replace "$7,500,000" with "$3,400,000"

Page 12, line 26, replace "$7,500,000" with "$3,400,000"

Page 12, after line 28, insert:

"**SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND.** The office of management and budget shall transfer $5,500,000 from the strategic investment and improvements fund to the economic diversification research fund, the sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to institutions under the control of the state board of higher eduction, for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education."

Page 12, line 31, replace "$29,000,000" with "$24,000,000"

Page 13, line 1, replace "biennium beginning July 1, 2023" with "period beginning with the effective date of this Act"

Page 13, replace lines 5 through 16 with:

| | | | |
|---|---|---|---|
| "Bismarck state college | $638,540 | $500,000 | $1,138,540 |
| Lake Region state college | 266,062 | 500,000 | 766,062 |
| Williston state college | 206,920 | 500,000 | 706,920 |
| University of North Dakota | 6,542,702 | 2,250,000 | 8,792,702 |
| North Dakota state university | 4,349,394 | 2,250,000 | 6,599,394 |
| North Dakota state college of science | 751,042 | 500,000 | 1,251,042 |
| Dickinson state university | 403,293 | 500,000 | 903,293 |
| Mayville state university | 360,044 | 500,000 | 860,044 |
| Minot state university | 859,202 | 500,000 | 1,359,202 |
| Valley City state university | 463,705 | 500,000 | 963,705 |
| Dakota college at Bottineau | 159,096 | 500,000 | 659,096 |
| Total | $15,000,000 | $9,000,000 | $24,000,000" |

Page 13, replace lines 20 and 21 with:

| | |
|---|---|
| "Bismarck state college polytechnic project inflation | $12,400,000 |
| Lake region state college wind turbine gearbox replacement and parking lot repairs" | 1,000,000 |

Page 13, replace line 24 with:

| | |
|---|---|
| "University of North Dakota Merrifield hall and Twamley hall project inflation | 12,500,000" |

Page 13, replace line 29 with:

| | |
|---|---|
| "Dickinson state university generator and project inflation | 2,600,000 |
| Mayville state university old main renovation | 49,970,100 |
| Minot state university Hartnett hall project inflation | 4,000,000" |

Page 14, replace lines 1 and 2 with:

| | |
|---|---|
| "Dakota college at Bottineau old main renovation | 5,300,000 |
| Total | $341,845,100 |

**SECTION 13. MAYVILLE STATE UNIVERSITY - OLD MAIN PROJECT - LOAN AUTHORIZATION.** The legislative assembly authorizes the Mayville state university old main renovation project to be funded in two phases as provided under this section. The capital assets line item in subdivision 9 of section 1 of this Act includes the sum of $17,330,087, or so much of the sum as may be necessary, for phase 1 of the project. During the biennium beginning July 1, 2023, and ending June 30, 2025, and continuing into the biennium beginning July 1, 2025, and ending June 30, 2027, the state board of higher education may borrow the sum of $34,924,814, or so much of the sum as may be necessary, from the Bank of North Dakota for completion of phase 2 of the Mayville state university old main renovation project. The state board of higher education shall seek funding from the sixty-ninth legislative assembly to repay the loan authorized under this section."

Page 14, line 5, remove "The state board of higher education may not include requests for any state funds for"

Page 14, remove lines 6 through 15

Page 14, line 16, remove "3."

Page 14, line 16, replace "possession of" with "pledged"

Page 14, line 19, replace "4." with "2."

Page 14, line 25, replace "5." with "3."

Page 14, line 25, replace "Any" with "It is the intent of the sixty-eighth legislative assembly that any"

Page 15, replace lines 3 through 10 with:

"**SECTION 16.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**Economic diversification research fund - Report to legislative management.**

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in or transferred to the fund pursuant to legislative action. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.

2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award grants to institutions under the control of the state board of higher education. The sum of five million dollars must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.

4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations."

Page 15, line 13, remove "budget "

Page 15, line 14, replace "section" with "legislative management"

Page 15, line 15, remove "budget"

Page 15, line 16, replace "section" with "legislative management"

Page 15, remove lines 21 through 31

Page 16, remove lines 1 through 8

Page 16, after line 26, insert:

"**SECTION 20.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Larry C. Skogen polytechnic institute.**

The polytechnic center constructed on the campus of Bismarck state college is officially named the Larry C. Skogen polytechnic institute."

Page 22, line 3, replace "five million" with "two million seven hundred thousand"

Page 22, line 5, replace "four million" with "two million two hundred thousand"

Page 22, line 6, remove "each"

Page 22, line 7, remove "and the North Dakota state university"

Page 22, line 8, remove "main research center"

Page 22, after line 10, insert:

"**SECTION 25.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted as follows:

**Agricultural research and extension - Matching grants - North Dakota state university agricultural experiment station.**

1. a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of North Dakota state university for projects dedicated exclusively to agricultural research and extension at the agricultural experiment station. Notwithstanding section 15-10-53, awards under this section may be used for endowments, operations, facility repair projects, and new capital construction projects.

   b. To be eligible for a matching grant, the institution shall demonstrate:

      (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and

      (2) The project has been approved by the grant review committee established in section 15-10-51.

   c. The board may award up to two million two hundred thousand dollars in matching grants under this section.

d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process."

Page 22, line 14, replace "Three million" with "One million seven hundred thousand"

Page 22, line 17, replace "Two million" with "One million one hundred thousand"

Page 22, line 19, replace "One million" with "Six hundred thousand"

Page 24, line 22, replace "$72.39" with "$73.15"

Page 24, line 24, replace "$102.78" with "$103.76"

Page 24, line 26, replace "$109.30" with "$110.38"

Page 25, line 25, replace "six hundred fifty" with "three hundred seventy-five"

Page 25, line 26, replace "One thousand one hundred" with "Nine hundred seventeen"

Page 26, line 3, overstrike "creation of" and insert immediately thereafter "purpose of digitizing documents relating to Theodore Roosevelt and for creating"

Page 27, line 28, remove ", 15-10-53,"

Page 28, line 11, remove "**- LAKE REGION STATE**"

Page 28, line 12, remove "**COLLEGE - ESTIMATED INCOME**"

Page 28, line 12, remove "The estimated income line item in subdivision 3 of"

Page 28, replace lines 13 through 15 with:

"Notwithstanding any matching requirements in chapter 15-54.1, the following projects are authorized to use funding from the respective institution's allocation in the university system capital building fund:

| | |
|---|---|
| Lake region state college wind turbine gearbox replacement and parking lot repairs | $1,000,000 |
| Williston state college medical healthcare building | 637,947 |
| Mayville state university old main renovation | 2,330,087 |
| Valley City state university McCarthy hall renovation | 1,025,082 |
| Dakota college at Bottineau old main renovation | 1,000,000 |
| Total | $5,993,116" |

Page 28, line 27, after the second "programs" insert ", including for the Twamley hall project at the university of North Dakota,"

Page 28, line 27, remove "biennium beginning July 1,"

Page 28, line 28, replace "2023" with "period beginning with the effective date of this Act"

Page 28, after line 28, insert:

"**SECTION 43. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During the 2023-24 interim, the legislative management shall study funding

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for dual-credit courses. The study must include a review of all funding sources relating to dual-credit courses in the state, including tuition and fees, the higher education funding formula, elementary and secondary education integrated formula payments, institution scholarships, state scholarships, and the Bank of North Dakota. The study must also include a review of funding for dual-credit courses in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

**SECTION 44. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the emergence of artificial intelligence and the potential impacts on the state's institutions, agencies, businesses, citizens, and youth. The study must include a review of the effect of artificial intelligence on the provision of health care, effects on student learning, potential opportunities or threats to the integrity of state services, the potential impact on electoral processes, including mitigating action to be taken leading up to the 2024 state elections, opportunities for state investment or policy changes to promote artificial intelligence businesses, and cybersecurity implications across all state institutions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Page 28, line 31, remove "and fee"

Page 29, line 5, remove "and fee"

Page 30, line 1, after "hygienist" insert "and dental assistant"

Page 30, after line 2, insert:

"**SECTION 47. CAMPUS CAPITAL PROJECTS - 2025-27 BIENNIUM - LEGISLATIVE INTENT.** It is the intent of the sixty-eighth legislative assembly that the sixty-ninth legislative assembly appropriate funding from state funds or bond proceeds as follows for capital projects, in addition to any necessary authorization for the use of local matching funds, for the biennium beginning July 1, 2025, and ending June 30, 2027:

| | |
|---|---|
| University of North Dakota science, technology, engineering, and math building | $55,640,000 |
| Minot state university academic building | 8,132,000 |
| Mayville state university old main renovation or loan repayment | 34,924,814 |
| Total legislative intent | $98,696,814" |

Page 30, line 3, replace "Section 35" with "Sections 5, 11, 12, 14, 34, 40, 42, and the capital assets line items in section 1"

Page 30, line 3, replace "is" with "are"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of Conference Committee Action**

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Total all funds | $142,655,511 | $236,706,896 | ($56,444,183) | $180,262,713 | $189,387,713 | ($9,125,000) |
| Less estimated income | 25,757,035 | 26,629,233 | (385,125) | 26,244,108 | 26,244,108 | 0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| General fund | $116,898,476 | $210,077,663 | ($56,059,058) | $154,018,605 | $163,143,605 | ($9,125,000) |
| FTE | 158.83 | 162.83 | 0.00 | 162.83 | 163.83 | (1.00) |
| Bismarck State College | | | | | | |
| Total all funds | $102,493,948 | $141,013,611 | $13,080,025 | $154,093,636 | $122,797,636 | $31,296,000 |
| Less estimated income | 70,409,893 | 104,810,627 | 2,968,954 | 107,779,581 | 81,279,581 | 26,500,000 |
| General fund | $32,084,055 | $36,202,984 | $10,111,071 | $46,314,055 | $41,518,055 | $4,796,000 |
| FTE | 332.90 | 335.33 | 0.00 | 335.33 | 335.33 | 0.00 |
| Lake Region State College | | | | | | |
| Total all funds | $39,513,580 | $42,136,398 | $640,691 | $42,777,089 | $43,455,775 | ($678,686) |
| Less estimated income | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 | 27,528,767 | 0 |
| General fund | $14,242,152 | $15,209,842 | $38,480 | $15,248,322 | $15,927,008 | ($678,686) |
| FTE | 115.76 | 120.59 | 0.00 | 120.59 | 120.59 | 0.00 |
| Williston State College | | | | | | |
| Total all funds | $35,306,272 | $82,009,207 | $140,052 | $82,149,259 | $82,318,399 | ($169,140) |
| Less estimated income | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 | 69,030,927 | 0 |
| General fund | $11,286,737 | $13,159,117 | ($40,785) | $13,118,332 | $13,287,472 | ($169,140) |
| FTE | 101.29 | 102.83 | 0.00 | 102.83 | 102.83 | 0.00 |
| University of North Dakota | | | | | | |
| Total all funds | $906,584,896 | $1,198,001,089 | ($92,335,342) | $1,105,665,747 | $1,107,643,179 | ($1,977,432) |
| Less estimated income | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 | 912,461,608 | 0 |
| General fund | $150,927,125 | $223,729,352 | ($30,525,213) | $193,204,139 | $195,181,571 | ($1,977,432) |
| FTE | 2,059.98 | 2,060.56 | 0.00 | 2,060.56 | 2,060.56 | 0.00 |
| UND Medical Center | | | | | | |
| Total all funds | $228,929,208 | $246,725,638 | $2,054,389 | $248,780,027 | $248,780,027 | $0 |
| Less estimated income | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 | 167,914,111 | 0 |
| General fund | $68,122,959 | $80,136,671 | $729,245 | $80,865,916 | $80,865,916 | $0 |
| FTE | 492.67 | 488.83 | 0.00 | 488.83 | 488.83 | 0.00 |
| North Dakota State University | | | | | | |
| Total all funds | $763,848,425 | $920,309,083 | $4,413,186 | $924,722,269 | $926,260,622 | ($1,538,353) |
| Less estimated income | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 | 760,523,651 | 0 |
| General fund | $138,431,325 | $164,390,948 | ($192,330) | $164,198,618 | $165,736,971 | ($1,538,353) |
| FTE | 1,829.43 | 1,867.50 | 0.00 | 1,867.50 | 1,867.50 | 0.00 |
| State College of Science | | | | | | |
| Total all funds | $96,559,844 | $121,371,653 | $1,855,237 | $123,226,890 | $103,438,640 | $19,788,250 |
| Less estimated income | 60,845,052 | 83,058,003 | 401,616 | 83,459,619 | 63,484,619 | 19,975,000 |
| General fund | $35,714,792 | $38,313,650 | $1,453,621 | $39,767,271 | $39,954,021 | ($186,750) |
| FTE | 311.61 | 313.95 | 0.00 | 313.95 | 313.95 | 0.00 |
| Dickinson State University | | | | | | |
| Total all funds | $51,235,138 | $74,317,834 | $2,761,746 | $77,079,580 | $77,406,580 | ($327,000) |
| Less estimated income | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 | 51,677,970 | 0 |
| General fund | $20,242,730 | $23,903,807 | $1,497,803 | $25,401,610 | $25,728,610 | ($327,000) |
| FTE | 175.50 | 178.00 | 0.00 | 178.00 | 178.00 | 0.00 |
| Mayville State University | | | | | | |
| Total all funds | $50,962,268 | $105,818,246 | ($30,707,330) | $75,110,916 | $106,309,663 | ($31,198,747) |
| Less estimated income | 32,282,440 | 84,015,644 | (32,353,538) | 51,662,106 | 84,302,119 | (32,640,013) |
| General fund | $18,679,828 | $21,802,602 | $1,646,208 | $23,448,810 | $22,007,544 | $1,441,266 |
| FTE | 230.35 | 226.92 | 0.00 | 226.92 | 226.92 | 0.00 |
| Minot State University | | | | | | |
| Total all funds | $105,254,397 | $126,949,121 | ($3,035,605) | $123,913,516 | $124,083,516 | ($170,000) |
| Less estimated income | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 | 74,636,419 | 0 |
| General fund | $41,206,630 | $47,396,793 | $1,880,304 | $49,277,097 | $49,447,097 | ($170,000) |
| FTE | 403.04 | 423.63 | 0.00 | 423.63 | 423.63 | 0.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Valley City State University | | | | | | |
| Total all funds | $50,539,223 | $90,901,990 | $272,523 | $91,174,513 | $77,910,513 | $13,264,000 |
| Less estimated income | 26,377,846 | 63,314,690 | 247,731 | 63,562,421 | 50,062,421 | 13,500,000 |
| General fund | $24,161,377 | $27,587,300 | $24,792 | $27,612,092 | $27,848,092 | ($236,000) |
| FTE | 202.77 | 211.94 | 0.00 | 211.94 | 211.94 | 0.00 |
| Dakota College at Bottineau | | | | | | |
| Total all funds | $23,754,062 | $31,247,197 | $34,028 | $31,281,225 | $31,951,225 | ($670,000) |
| Less estimated income | 14,216,200 | 20,055,822 | 95,125 | 20,150,947 | 20,650,947 | (500,000) |
| General fund | $9,537,862 | $11,191,375 | ($61,097) | $11,130,278 | $11,300,278 | ($170,000) |
| FTE | 91.86 | 84.00 | 0.00 | 84.00 | 84.00 | 0.00 |
| Forest Service | | | | | | |
| Total all funds | $15,461,793 | $24,714,730 | $65,163 | $24,779,893 | $24,779,893 | $0 |
| Less estimated income | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 | 19,141,272 | 0 |
| General fund | $4,792,478 | $5,575,521 | $63,100 | $5,638,621 | $5,638,621 | $0 |
| FTE | 28.00 | 29.00 | 0.00 | 29.00 | 29.00 | 0.00 |
| Bank of North Dakota | | | | | | |
| Total all funds | $0 | $0 | $5,500,000 | $5,500,000 | $10,000,000 | ($4,500,000) |
| Less estimated income | 0 | 0 | 5,500,000 | 5,500,000 | 10,000,000 | (4,500,000) |
| General fund | $0 | $0 | $0 | $0 | $0 | $0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Bill total | | | | | | |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($151,705,420) | $3,290,517,273 | $3,276,523,381 | $13,993,892 |
| Less estimated income | 1,926,770,039 | 2,523,545,068 | (82,271,561) | 2,441,273,507 | 2,418,938,520 | 22,334,987 |
| General fund | $686,328,526 | $918,677,625 | ($69,433,859) | $849,243,766 | $857,584,861 | ($8,341,095) |
| FTE | 6,533.99 | 6,605.91 | 0.00 | 6,605.91 | 6,606.91 | (1.00) |

## House Bill No. 1003 - General Fund Summary

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | $116,898,476 | $210,077,663 | ($56,059,058) | $154,018,605 | $163,143,605 | ($9,125,000) |
| Bismarck State College | 32,084,055 | 36,202,984 | 10,111,071 | 46,314,055 | 41,518,055 | 4,796,000 |
| Lake Region State College | 14,242,152 | 15,209,842 | 38,480 | 15,248,322 | 15,927,008 | (678,686) |
| Williston State College | 11,286,737 | 13,159,117 | (40,785) | 13,118,332 | 13,287,472 | (169,140) |
| University of North Dakota | 150,927,125 | 223,729,352 | (30,525,213) | 193,204,139 | 195,181,571 | (1,977,432) |
| UND Medical Center | 68,122,959 | 80,136,671 | 729,245 | 80,865,916 | 80,865,916 | |
| North Dakota State University | 138,431,325 | 164,390,948 | (192,330) | 164,198,618 | 165,736,971 | (1,538,353) |
| State College of Science | 35,714,792 | 38,313,650 | 1,453,621 | 39,767,271 | 39,954,021 | (186,750) |
| Dickinson State University | 20,242,730 | 23,903,807 | 1,497,803 | 25,401,610 | 25,728,610 | (327,000) |
| Mayville State University | 18,679,828 | 21,802,602 | 1,646,208 | 23,448,810 | 22,007,544 | 1,441,266 |
| Minot State University | 41,206,630 | 47,396,793 | 1,880,304 | 49,277,097 | 49,447,097 | (170,000) |
| Valley City State University | 24,161,377 | 27,587,300 | 24,792 | 27,612,092 | 27,848,092 | (236,000) |
| Dakota College at Bottineau | 9,537,862 | 11,191,375 | (61,097) | 11,130,278 | 11,300,278 | (170,000) |
| Forest Service | 4,792,478 | 5,575,521 | 63,100 | 5,638,621 | 5,638,621 | |
| Bank of North Dakota | | | | | | |
| Total general fund | $686,328,526 | $918,677,625 | ($69,433,859) | $849,243,766 | $857,584,861 | ($8,341,095) |

## Detail of Conference Committee Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Reduces Funding for Research Network[4] | Adjusts Funding for Capital Projects[5] | Adjusts Funding for the Behavioral Health Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($56,059,058) | | | | | |
| Bismarck State College | | $355,071 | | | $9,960,000 | ($204,000) |
| Lake Region State College | | 147,480 | | | | (109,000) |
| Williston State College | | 128,355 | | | | (169,140) |
| University of North Dakota | | 1,835,887 | | ($701,100) | 5,000,000 | (660,000) |
| UND Medical Center | | 729,245 | | | | |
| North Dakota State University | | 1,608,770 | | (701,100) | | (1,100,000) |
| State College of Science | | 635,024 | | | | (186,750) |
| Dickinson State University | | 224,803 | | | 1,600,000 | (327,000) |
| Mayville State University | | 204,942 | | | | (308,734) |
| Minot State University | | 450,304 | | | 1,600,000 | (170,000) |
| Valley City State University | | 260,792 | | | | (236,000) |
| Dakota College at Bottineau | | 108,903 | | | | (170,000) |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total general fund | ($56,059,058) | $6,689,576 | $0 | ($1,402,200) | $18,160,000 | ($3,640,624) |

| | Reduces Funding for National Security Initiative[7] | Removes Funding for Workforce Education[8] | Adds Funding for Adjusted Minimum Amount Payable[9] | Adds Discretionary Funding[10] | Adjusts Forest Service Funding[11] | Adds Funding for Economic Diversification Research Grants[12] |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Bismarck State College | | | | | | |
| Lake Region State College | | | | | | |
| Williston State College | | | | | | |
| University of North Dakota | ($36,000,000) | | | | | |
| UND Medical Center | | | | | | |
| North Dakota State University | | ($4,800,000) | $4,800,000 | | | |
| State College of Science | | | 1,005,347 | | | |
| Dickinson State University | | | | | | |
| Mayville State University | | | | $1,750,000 | | |
| Minot State University | | | | | | |
| Valley City State University | | | | | | |
| Dakota College at Bottineau | | | | | | |
| Forest Service | | | | | $63,100 | |
| Bank of North Dakota | | | | | | |
| Total general fund | ($36,000,000) | ($4,800,000) | $5,805,347 | $1,750,000 | $63,100 | $0 |

| | Total the General Fund Changes |
|---|---|
| University System Office | ($56,059,058) |
| Bismarck State College | 10,111,071 |
| Lake Region State College | 38,480 |
| Williston State College | (40,785) |
| University of North Dakota | (30,525,213) |
| UND Medical Center | 729,245 |
| North Dakota State University | (192,330) |
| State College of Science | 1,453,621 |
| Dickinson State University | 1,497,803 |
| Mayville State University | 1,646,208 |
| Minot State University | 1,880,304 |
| Valley City State University | 24,792 |
| Dakota College at Bottineau | (61,097) |
| Forest Service | 63,100 |
| Bank of North Dakota | |
| Total general fund | ($69,433,859) |

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## House Bill No. 1003 - Other Funds Summary

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | $25,757,035 | $26,629,233 | ($385,125) | $26,244,108 | $26,244,108 | |
| Bismarck State College | 70,409,893 | 104,810,627 | 2,968,954 | 107,779,581 | 81,279,581 | $26,500,000 |
| Lake Region State College | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 | 27,528,767 | |
| Williston State College | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 | 69,030,927 | |
| University of North Dakota | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 | 912,461,608 | |
| UND Medical Center | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 | 167,914,111 | |
| North Dakota State University | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 | 760,523,651 | |
| State College of Science | 60,845,052 | 83,058,003 | 401,616 | 83,459,619 | 63,484,619 | 19,975,000 |
| Dickinson State University | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 | 51,677,970 | |
| Mayville State University | 32,282,440 | 84,015,644 | (32,353,538) | 51,662,106 | 84,302,119 | (32,640,013) |
| Minot State University | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 | 74,636,419 | |
| Valley City State University | 26,377,846 | 63,314,690 | 247,731 | 63,562,421 | 50,062,421 | 13,500,000 |
| Dakota College at Bottineau | 14,216,200 | 20,055,822 | 95,125 | 20,150,947 | 20,650,947 | (500,000) |
| Forest Service | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 | 19,141,272 | |
| Bank of North Dakota | | | 5,500,000 | 5,500,000 | 10,000,000 | (4,500,000) |
| Total other funds | $1,926,770,039 | $2,523,545,068 | ($82,271,561) | $2,441,273,507 | $2,418,938,520 | $22,334,987 |

## Detail of Conference Committee Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Reduces Funding for Research Network[4] | Adjusts Funding for Capital Projects[5] | Adjusts Funding for the Behavioral Health Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($385,125) | | | | | |
| Bismarck State College | | | $528,954 | | $2,440,000 | |
| Lake Region State College | | | 202,211 | | 400,000 | |
| Williston State College | | | 180,837 | | | |
| University of North Dakota | | | 5,689,871 | | (67,500,000) | |
| UND Medical Center | | | 1,325,144 | | | |
| North Dakota State University | | | 4,605,516 | | | |
| State College of Science | | | 401,616 | | | |
| Dickinson State University | | | 263,943 | | 1,000,000 | |
| Mayville State University | | | 286,475 | | (32,640,013) | |
| Minot State University | | | 684,091 | | (5,600,000) | |
| Valley City State University | | | 247,731 | | | |
| Dakota College at Bottineau | | | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total other funds | ($385,125) | $0 | $14,511,514 | $0 | ($101,900,013) | $0 |

| | Reduces Funding for National Security Initiative[7] | Removes Funding for Workforce Education[8] | Adds Funding for Adjusted Minimum Amount Payable[9] | Adds Discretionary Funding[10] | Adjusts Forest Service Funding[11] | Adds Funding for Economic Diversification Research Grants[12] |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Bismarck State College | | | | | | |
| Lake Region State College | | | | | | |
| Williston State College | | | | | | |
| University of North Dakota | | | | | | |
| UND Medical Center | | | | | | |
| North Dakota State University | | | | | | |
| State College of Science | | | | | | |
| Dickinson State University | | | | | | |
| Mayville State University | | | | | | |
| Minot State University | | | | | | |
| Valley City State University | | | | | | |
| Dakota College at Bottineau | | | | | | |
| Forest Service | | | | | $2,063 | |
| Bank of North Dakota | | | | | | $5,500,000 |
| Total other funds | $0 | $0 | $0 | $0 | $2,063 | $5,500,000 |

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| | Total Other Funds Changes |
|---|---|
| University System Office | ($385,125) |
| Bismarck State College | 2,968,954 |
| Lake Region State College | 602,211 |
| Williston State College | 180,837 |
| University of North Dakota | (61,810,129) |
| UND Medical Center | 1,325,144 |
| North Dakota State University | 4,605,516 |
| State College of Science | 401,616 |
| Dickinson State University | 1,263,943 |
| Mayville State University | (32,353,538) |
| Minot State University | (4,915,909) |
| Valley City State University | 247,731 |
| Dakota College at Bottineau | 95,125 |
| Forest Service | 2,063 |
| Bank of North Dakota | 5,500,000 |
| Total other funds | ($82,271,561) |

## House Bill No. 1003 - All Funds Summary

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | $142,655,511 | $236,706,896 | ($56,444,183) | $180,262,713 | $189,387,713 | ($9,125,000) |
| Bismarck State College | 102,493,948 | 141,013,611 | 13,080,025 | 154,093,636 | 122,797,636 | 31,296,000 |
| Lake Region State College | 39,513,580 | 42,136,398 | 640,691 | 42,777,089 | 43,455,775 | (678,686) |
| Williston State College | 35,306,272 | 82,009,207 | 140,052 | 82,149,259 | 82,318,399 | (169,140) |
| University of North Dakota | 906,584,896 | 1,198,001,089 | (92,335,342) | 1,105,665,747 | 1,107,643,179 | (1,977,432) |
| UND Medical Center | 228,929,208 | 246,725,638 | 2,054,389 | 248,780,027 | 248,780,027 | |
| North Dakota State University | 763,848,425 | 920,309,083 | 4,413,186 | 924,722,269 | 926,260,622 | (1,538,353) |
| State College of Science | 96,559,844 | 121,371,653 | 1,855,237 | 123,226,890 | 103,438,640 | 19,788,250 |
| Dickinson State University | 51,235,138 | 74,317,834 | 2,761,746 | 77,079,580 | 77,406,580 | (327,000) |
| Mayville State University | 50,962,268 | 105,818,246 | (30,707,330) | 75,110,916 | 106,309,663 | (31,198,747) |
| Minot State University | 105,254,397 | 126,949,121 | (3,035,605) | 123,913,516 | 124,083,516 | (170,000) |
| Valley City State University | 50,539,223 | 90,901,990 | 272,523 | 91,174,513 | 77,910,513 | 13,264,000 |
| Dakota College at Bottineau | 23,754,062 | 31,247,197 | 34,028 | 31,281,225 | 31,951,225 | (670,000) |
| Forest Service | 15,461,793 | 24,714,730 | 65,163 | 24,779,893 | 24,779,893 | |
| Bank of North Dakota | | | 5,500,000 | 5,500,000 | 10,000,000 | (4,500,000) |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($151,705,420) | $3,290,517,273 | $3,276,523,381 | $13,993,892 |
| FTE | 6,533.99 | 6,605.91 | 0.00 | 6,605.91 | 6,606.91 | (1.00) |

## Detail of Conference Committee Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Reduces Funding for Research Network[4] | Adjusts Funding for Capital Projects[5] | Adjusts Funding for the Behavioral Health Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($56,444,183) | | | | | |
| Bismarck State College | | $355,071 | $528,954 | | $12,400,000 | ($204,000) |
| Lake Region State College | | 147,480 | 202,211 | | 400,000 | (109,000) |
| Williston State College | | 128,355 | 180,837 | | | (169,140) |
| University of North Dakota | | 1,835,887 | 5,689,871 | ($701,100) | (62,500,000) | (660,000) |
| UND Medical Center | | 729,245 | 1,325,144 | | | |
| North Dakota State University | | 1,608,770 | 4,605,516 | (701,100) | | (1,100,000) |
| State College of Science | | 635,024 | 401,616 | | | (186,750) |
| Dickinson State University | | 224,803 | 263,943 | | 2,600,000 | (327,000) |
| Mayville State University | | 204,942 | 286,475 | | (32,640,013) | (308,734) |
| Minot State University | | 450,304 | 684,091 | | (4,000,000) | (170,000) |
| Valley City State University | | 260,792 | 247,731 | | | (236,000) |
| Dakota College at Bottineau | | 108,903 | 95,125 | | | (170,000) |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total all funds | ($56,444,183) | $6,689,576 | $14,511,514 | ($1,402,200) | ($83,740,013) | ($3,640,624) |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Reduces Funding for National Security Initiative[7] | Removes Funding for Workforce Education[8] | Adds Funding for Adjusted Minimum Amount Payable[9] | Adds Discretionary Funding[10] | Adjusts Forest Service Funding[11] | Adds Funding for Economic Diversification Research Grants[12] |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Bismarck State College | | | | | | |
| Lake Region State College | | | | | | |
| Williston State College | | | | | | |
| University of North Dakota | ($36,000,000) | | | | | |
| UND Medical Center | | | | | | |
| North Dakota State University | | ($4,800,000) | $4,800,000 | | | |
| State College of Science | | | 1,005,347 | | | |
| Dickinson State University | | | | | | |
| Mayville State University | | | | $1,750,000 | | |
| Minot State University | | | | | | |
| Valley City State University | | | | | | |
| Dakota College at Bottineau | | | | | | |
| Forest Service | | | | | $65,163 | |
| Bank of North Dakota | | | | | | $5,500,000 |
| Total all funds | ($36,000,000) | ($4,800,000) | $5,805,347 | $1,750,000 | $65,163 | $5,500,000 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Total All Funds Changes |
|---|---|
| University System Office | ($56,444,183) |
| Bismarck State College | 13,080,025 |
| Lake Region State College | 640,691 |
| Williston State College | 140,052 |
| University of North Dakota | (92,335,342) |
| UND Medical Center | 2,054,389 |
| North Dakota State University | 4,413,186 |
| State College of Science | 1,855,237 |
| Dickinson State University | 2,761,746 |
| Mayville State University | (30,707,330) |
| Minot State University | (3,035,605) |
| Valley City State University | 272,523 |
| Dakota College at Bottineau | 34,028 |
| Forest Service | 65,163 |
| Bank of North Dakota | 5,500,000 |
| Total all funds | ($151,705,420) |
| FTE | 0.00 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $145,345 | $5,459 | $150,804 |
| Health insurance increase | (2,532) | (118) | (2,650) |
| Academic, research, and student support | 400,000 | 0 | 400,000 |
| Salaries funding source change | 561,327 | (561,327) | 0 |
| Financial aid staff | (125,000) | 0 | (125,000) |
| New financial aid system one-time costs | 115,000 | 0 | 115,000 |
| Total | $1,094,140 | ($555,986) | $538,154 |

The conference committee did not add a new FTE vice chancellor position added by the Senate.

The following schedule details funding adjustments for core technology services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $355,691 | $176,319 | $532,010 |
| Health insurance increase | (8,889) | (5,458) | (14,347) |
| Software and a security operations center | (300,000) | 0 | (300,000) |
| Total | $46,802 | $170,861 | $217,663 |

The Senate reduced funding for software and a security operations center by $1.2 million.

The following schedule details general fund adjustments in other line items in the University System office budget:

| | House Version | Senate Version | Conference Committee Version |
|---|---|---|---|
| Student financial assistance grants | $35,917,306 | $29,917,306 | $29,917,306 |
| Tribally controlled community college grants | 2,000,000 | 1,400,000 | 1,400,000 |
| Challenge grants (one-time) | 36,000,000 | 20,000,000 | 20,000,000 |
| Workforce innovation grants (one-time) | 10,000,000 | 10,000,000 | 0 |
| Severance payment (one-time) | 0 | 300,000 | 0 |
| Passthrough grants (one-time) | 20,100,000 | 0 | 0 |
| Single parent support (one-time) | 4,500,000 | 0 | 0 |
| Total | $108,517,306 | $61,617,306 | $51,317,306 |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula, the same as the Senate:

**General Fund Adjustments**

| | Formula Adjustment | Salary Increase | Health Insurance Decrease | Total Increase |
|---|---|---|---|---|
| Bismarck State College | $0 | $369,687 | ($14,616) | $355,071 |
| Dakota College at Bottineau | 0 | 113,287 | (4,384) | 108,903 |
| Lake Region State College | 0 | 153,406 | (5,926) | 147,480 |
| State College of Science | 231,285 | 419,719 | (15,980) | 635,024 |
| Williston State College | 0 | 132,726 | (4,371) | 128,355 |
| Dickinson State University | 0 | 233,352 | (8,549) | 224,803 |
| Mayville State University | 0 | 213,346 | (8,404) | 204,942 |
| Minot State University | 0 | 468,250 | (17,946) | 450,304 |
| Valley City State University | 0 | 273,761 | (12,969) | 260,792 |
| North Dakota State University | 0 | 1,663,524 | (54,754) | 1,608,770 |
| University of North Dakota | 0 | 1,880,889 | (45,002) | 1,835,887 |
| UND School of Medicine | 0 | 749,087 | (19,842) | 729,245 |
| Total | $231,285 | $6,671,034 | ($212,743) | $6,689,576 |

Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate. The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[3] The following adjustments are made to institution other funds appropriations, the same as the Senate:

**Other Funds Adjustments**

| | Salary Increase | Health Insurance Adjustment | Total |
|---|---|---|---|
| Bismarck State College | $550,866 | ($21,912) | $528,954 |
| Dakota College at Bottineau | 99,613 | (4,488) | 95,125 |
| Lake Region State College | 209,775 | (7,564) | 202,211 |
| North Dakota State College of Science | 419,623 | (18,007) | 401,616 |
| Williston State College | 187,102 | (6,265) | 180,837 |
| Dickinson State University | 274,835 | (10,892) | 263,943 |
| Mayville State University | 302,911 | (16,436) | 286,475 |
| Minot State University | 710,937 | (26,846) | 684,091 |
| Valley City State University | 259,853 | (12,122) | 247,731 |
| North Dakota State University | 4,773,896 | (168,380) | 4,605,516 |
| University of North Dakota | 5,888,793. | (198,922) | 5,689,871 |
| UND School of Medicine | 1,356,739 | (31,595) | 1,325,144 |
| Total | $15,034,943 | ($523,429) | $14,511,514 |

[4] Ongoing funding of $6,402,200 from the general fund for research network costs at the University of North Dakota and North Dakota State University is reduced by $1,402,200, to provide $5,000,000 for research network costs. The House and Senate both included $6,402,200 for research network costs.

[5] One-time funding is adjusted for the following capital building projects, as compared to the House version:

| | General Fund | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Adjusts funding for BSC multipurpose academic and athletic center (The Senate removed funding for this project) | $0 | ($29,900,000) | $29,900,000 | $0 |
| Adds funding for BSC polytechnic building inflation (The Senate provided $4,960,000 from the general fund and $7,440,000 from other funds for this project) | 9,960,000 | | 2,440,000 | 12,400,000 |
| Increases funding for LRSC wind turbine gearbox and parking lot, the same as the Senate | 0 | 0 | 400,000 | 400,000 |
| Adjusts funding for WSC medical healthcare building (The Senate adjusted $8,787,947 from SIIF to other funds) | 0 | (6,787,947) | 6,787,947 | 0 |
| Removes funding for UND science, technology, engineering, and math building, the same as the Senate | 0 | (52,000,000) | (23,000,000) | (75,000,000) |
| Provides funding for UND Merrifield Hall and Twamley Hall inflation, the same as the Senate | 5,000,000 | 0 | 7,500,000 | 12,500,000 |
| Provides funding for DSU generator and other projects inflation, the same as the Senate | 1,600,000 | 0 | 1,000,000 | 2,600,000 |
| Adjusts funding for MaSU Old Main renovation (The Senate adjusted $7,770,100 from SIIF to other funds for this project) | 0 | (34,970,100) | 2,330,087 | (32,640,013) |
| Removes funding for MiSU academic building, the same as the Senate | 0 | (7,600,000) | (400,000) | (8,000,000) |
| Provides funding for MiSU Hartnett Hall inflation, the same as the Senate | 1,600,000 | 0 | 2,400,000 | 4,000,000 |
| Adjusts funding for VCSU McCarthy Hall (The Senate removed funding for this project) | 0 | (1,025,082) | 1,025,082 | 0 |
| Adjusts funding for DCB Old Main renovation (The Senate provided an additional $500,000 from other funds for the project) | 0 | (1,000,000) | 1,000,000 | 0 |
| Total capital projects | $18,160,000 | ($133,283,129) | $31,383,116 | ($83,740,013) |

The Senate also removed funding for the NDSCS agriculture, automation, and autonomous systems building and the VCSU McCarthy Hall project. The conference committee did not remove funding for these projects.

[6] One-time funding of $3,640,624 is removed for the behavioral health initiative. Both the House and Senate

included this funding.

Ongoing funding of $2,791,083 from the general fund added by the House and Senate for the cost to continue salary increases is designated for support of behavioral health services.

[7] One-time funding is reduced by $36 million from the general fund to provide a total of $9 million for the University of North Dakota national security initiative, the same as the Senate. The House provided $45 million for the national security initiative.

[8] One-time funding of $4.8 million from the general fund added by the House for workforce education at North Dakota State University is removed, the same as the Senate.

[9] Funding is added as follows for an adjusted minimum amount payable, to provide additional funding for North Dakota State University and the North Dakota State College of Science:

| | General Fund |
|---|---|
| North Dakota State University | 4,800,000 |
| North Dakota State College of Science | 1,005,347 |
| Total | $5,805,347 |

The Senate also provided funding an adjusted minimum amount payable for Lake Region State College and the University of North Dakota. The House did not include funding for an adjusted minimum amount payable.

[10] One-time funding of $1.75 million from the general fund is added for discretionary funding at Mayville State University. Neither the House nor the Senate included this funding.

[11] Salaries and wages funding for the Forest Service is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate, as follows:

| | General Fund | Other Funds | Total |
|---|---|---|---|
| Salary increase | $66,058 | $2,181 | $68,239 |
| Health insurance adjustment | (2,958) | (118) | (3,076) |
| Total | $63,100 | $2,063 | $65,163 |

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[12] One-time funding of $5.5 million from the economic diversification research fund is appropriated to the Bank of North Dakota for grants to institutions under the control of the state board of higher education. The funding is transferred to the economic diversification research fund from the strategic investment and improvements fund. The Senate provided $10 million from the economic diversification research fund. The House did not include funding for economic diversification research grants.

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### House Bill No. 1003 - Other Changes - Conference Committee Action

This amendment also:

- Removes a separate appropriation section for the Mayville State University Old Main project, the same as the Senate. Phase I of the project appropriation is moved to Section 1 of the bill. Loan authorization for phase II of the project is added in Section 13 of the bill. Neither the House nor the Senate had provided for the project to be funded in two phases.
- Adjusts funding for projects from the strategic investment and improvements fund (SIIF) to provide a total of $209,976,971 from SIIF for capital projects. The House provided $343,260,100 and the Senate provided $205,727,053 from SIIF for capital projects.
- Removes a section identifying $4.8 million from the general fund for workforce education at North Dakota State University, the same as the Senate.
- Removes a section identifying $4.5 million from the general fund for student support for single mothers, the same as the Senate.
- Does not make the Senate adjustment to the source of funds for the reimbursement of a North Dakota State University severance agreement to provide $300,000 from the general fund.
- Reduces transfers from Bank of North Dakota profits to the career builders program from $15 million to $6.8 million, the same as the Senate.
- Adds sections to transfer $5.5 million from SIIF to a newly created economic diversification research fund. The

Senate transferred $10 million from SIIF to the economic diversification research fund.

- Reduces the transfer from SIIF to the university system capital building fund by $5 million in tier II, to provide a total of $15 million in tier II and $9 million in tier III. Both the House and the Senate provided $20 million in tier II and $9 million in tier III.
- Adjusts the projects authorized to use funding from each institution's allocation in the University System capital building fund.
- Removes certain limitations on future institution requests for capital project funding, the same as the Senate.
- Removes a section allowing for a transfer of appropriation authority between the University of North Dakota and the School of Medicine and Health Sciences, the same as the Senate.
- Adjusts a section to provide for the commissioner of the North Dakota University System to provide an annual report to the Legislative Management instead of the Budget Section, the same as the Senate.
- Removes a section requiring future severance agreements to be paid from the University System office budget and for the agreements to be approved by the Emergency Commission and Budget Section, the same as the Senate.
- Removes a section requiring the State Board of Higher Education to approve or deny a request for a new academic program within 30 days, the same as the Senate.
- Adds a section to name the Bismarck State College polytechnic center the Larry C. Skogen Polytechnic Institute. Neither the House nor the Senate included this section.
- Adjusts the funding available to each institution under the challenge grant program and restores limitations on the use of state matching funds, the same as the Senate.
- Adjusts the base funding rate under the higher education funding formula to provide for a 6 percent salary increase on July 1, 2023, the same as the Senate.
- Reduces the increase in the maximum grant award under the student financial assistance grants program, the same as the Senate.
- Adjusts a section that allowed Dickinson State University to use $2 million for the digitization of documents relating to Theodore Roosevelt without establishing an endowment to provide that the university may also use an $8 million endowment for the digitization of documents.
- Exempts certain capital projects from matching requirements under the University System capital building fund program. The House and Senate also provided for certain capital projects to be exempt from capital building fund matching requirements.
- Clarifies that funding appropriated during the November 2021 special session for the University of North Dakota Merrifield Hall project also may be used for a renovation of Twamley Hall, the same as the Senate.
- Provides for a Legislative Management study of dual-credit funding, the same as the Senate.
- Provides for a Legislative Management study of artificial intelligence impacts, the same as the Senate.
- Clarifies that the tuition increase limitation does not include a limitation on fees charged to students, the same as the Senate.
- Clarifies that both dental hygiene and dental assistant credits should be placed under the career and technical education program classification within the higher education funding formula, the same as the Senate.
- Provides legislative intent for certain campus capital projects to be funded during the 2025-27 biennium. Neither the House nor the Senate included this legislative intent section.
- Provides an emergency declaration for capital projects.

Date: 4/21/2023
Roll Call Vote #1

**2023 HOUSE CONFERENCE COMMITTEE**
**ROLL CALL VOTES**

**HB 1003 as engrossed**

**House Education and Environment Committee**

**Action Taken**
- ☐ **HOUSE accede to Senate Amendments**
- ☐ **HOUSE accede to Senate Amendments and further amend**
- ☐ **SENATE recede from Senate amendments**
- ☐ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Martinson Seconded by: Representative Sanford

| Representatives | *4/21* | *4/21 PM* | | Yes | No | | Senators | *4/20* | *4/21* | | Yes | No |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sanford | X | X | | X | | | Sorvaag | X | X | | X | |
| Swiontek | X | X | | X | | | Schaible | X | X | | X | |
| Martinson | X | X | | X | | | Krebsbach | X | X | | | x |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total Rep. Vote | | | | 3 | 0 | | Total Senate Vote | | | | 2 | 1 |

Vote Count Yes: 5 No: 1 Absent: 0

House Carrier _____ _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Representative Martinson moved line of credit for Mayville, intent for Mayville to be funded over two biennia with a 7% inflationary factor for the second year.

Date: 4/21/2023
Roll Call Vote #2

**2023 HOUSE CONFERENCE COMMITTEE**
**ROLL CALL VOTES**

**HB 1003 as engrossed**

**House Education and Environment Committee**

**Action Taken**
- ☐ **HOUSE accede to Senate Amendments**
- ☐ **HOUSE accede to Senate Amendments and further amend**
- ☐ **SENATE recede from Senate amendments**
- ☐ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Sorvaag Seconded by: Representative Swiontek

| Representatives | *4/21* | *4/21 PM* | | Yes | No | | Senators | *4/20* | *4/21* | | Yes | No |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sanford | X | X | | X | | | Sorvaag | X | X | | X | |
| Swiontek | X | X | | X | | | Schaible | X | X | | X | |
| Martinson | X | X | | X | | | Krebsbach | X | X | | X | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total Rep. Vote | | | | 3 | 0 | | Total Senate Vote | | | | 3 | 0 |

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ _____

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Senator Sorvaag moved the $500,000 for research for the smaller institutions other than NDSU and UND.

Date: 4/21/2023
Roll Call Vote #3

**2023 HOUSE CONFERENCE COMMITTEE**
**ROLL CALL VOTES**

**HB 1003 as engrossed**

**House Education and Environment Committee**

**Action Taken**
- ☐ **HOUSE accede to Senate Amendments**
- ☐ **HOUSE accede to Senate Amendments and further amend**
- ☐ **SENATE recede from Senate amendments**
- ☒ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Sorvaag Seconded by: Representative Swiontek

| Representatives | *4/21* | *4/21 PM* | | Yes | No | | Senators | *4/20* | *4/21* | | Yes | No |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sanford | X | X | | X | | | Sorvaag | X | X | | X | |
| Swiontek | X | X | | X | | | Schaible | X | X | | X | |
| Martinson | X | X | | X | | | Krebsbach | X | X | | X | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| Total Rep. Vote | | | | 3 | 0 | | Total Senate Vote | | | | 3 | 0 |

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Representative Sanford Senator Sorvaag

LC Number 23.0232 . 02010 of amendment

LC Number 23.0232 . 04000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**Insert LC: 23.0232.02010**
**House Carrier: Sanford**
**Senate Carrier: Sorvaag**

## REPORT OF CONFERENCE COMMITTEE

**HB 1003, as engrossed:** Your conference committee (Sens. Sorvaag, Schaible, Krebsbach and Reps. Sanford, Swiontek, Martinson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1875-1890, adopt amendments as follows, and place HB 1003 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1875-1890 of the House Journal and pages 1603-1618 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide an appropriation to the Bank of North Dakota;"

Page 1, line 2, replace "five" with "a new section to chapter 6-09, four"

Page 1, line 2, after "15-10" insert ", section 15-10-48.2,"

Page 1, line 3, after "to" insert "an economic diversification research fund, matching grants for agricultural research and extension, the Bismarck state college polytechnic center,"

Page 1, line 4, remove "funding of severance agreements, academic program approval,"

Page 1, line 16, remove ", 15-10-53,"

Page 1, line 17, remove ", the definition of the advancement"

Page 1, line 18, remove "of academics,"

Page 1, line 19, replace "pilot program" with "legislative management study; to provide loan authorization for the Mayville state university old main project"

Page 2, line 4, replace "biennium beginning July 1, 2023" with "period beginning with the effective date of this Act"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 3,241,239 | 11,846,809 |
| Core technology services | 62,962,817 | 8,081,654 | 71,044,471 |
| Student financial assistance grants | 23,917,306 | 6,000,000 | 29,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |

| | | | |
|---|---|---|---|
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 400,000 | 1,400,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 20,000,000 | 20,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Total all funds | $142,655,511 | $37,607,202 | $180,262,713 |
| Less estimated income | 25,757,035 | 487,073 | 26,244,108 |
| Total general fund | $116,898,476 | $37,120,129 | $154,018,605 |
| Full-time equivalent positions | 158.83 | 4.00 | 162.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $7,699,688 | $108,271,075 |
| Capital assets | 1,922,561 | 43,900,000 | 45,822,561 |
| Total all funds | $102,493,948 | $51,599,688 | $154,093,636 |
| Less estimated income | 70,409,893 | 37,369,688 | 107,779,581 |
| Total general fund | $32,084,055 | $14,230,000 | $46,314,055 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $2,263,509 | $41,414,422 |
| Capital assets | 362,667 | 1,000,000 | 1,362,667 |
| Total all funds | $39,513,580 | $3,263,509 | $42,777,089 |
| Less estimated income | 25,271,428 | 2,257,339 | 27,528,767 |
| Total general fund | $14,242,152 | $1,006,170 | $15,248,322 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,929,048 | $36,973,352 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Total all funds | $35,306,272 | $46,842,987 | $82,149,259 |
| Less estimated income | 24,019,535 | 45,011,392 | 69,030,927 |
| Total general fund | $11,286,737 | $1,831,595 | $13,118,332 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $60,080,851 | $962,254,181 |
| Capital assets | 4,411,566 | 127,500,000 | 131,911,566 |
| National security initiative | 0 | 9,000,000 | 9,000,000 |
| Research network | 0 | 2,500,000 | 2,500,000 |
| Total all funds | $906,584,896 | $199,080,851 | $1,105,665,747 |
| Less estimated income | 755,657,771 | 156,803,837 | 912,461,608 |
| Total general fund | $150,927,125 | $42,277,014 | $193,204,139 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $46,573,844 | $802,623,165 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Minimum amount payable adjustment | 0 | 4,800,000 | 4,800,000 |
| Research network | 0 | 2,500,000 | 2,500,000 |
| Total all funds | $763,848,425 | $160,873,844 | $924,722,269 |
| Less estimated income | 625,417,100 | 135,106,551 | 760,523,651 |
| Total general fund | $138,431,325 | $25,767,293 | $164,198,618 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $5,686,699 | $101,234,164 |
| Capital assets | 1,012,379 | 19,975,000 | 20,987,379 |
| Minimum amount payable adjustment | 0 | 1,005,347 | 1,005,347 |
| Total all funds | $96,559,844 | $26,667,046 | $123,226,890 |
| Less estimated income | 60,845,052 | 22,614,567 | 83,459,619 |
| Total general fund | $35,714,792 | $4,052,479 | $39,767,271 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $5,244,442 | $56,070,502 |
| Capital assets | 409,078 | 20,600,000 | 21,009,078 |
| Total all funds | $51,235,138 | $25,844,442 | $77,079,580 |
| Less estimated income | 30,992,408 | 20,685,562 | 51,677,970 |
| Total general fund | $20,242,730 | $5,158,880 | $25,401,610 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $6,818,561 | $57,421,837 |
| Capital assets | 358,992 | 17,330,087 | 17,689,079 |
| Total all funds | $50,962,268 | $24,148,648 | $75,110,916 |
| Less estimated income | 32,282,440 | 19,379,666 | 51,662,106 |
| Total general fund | $18,679,828 | $4,768,982 | $23,448,810 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $10,794,119 | $114,948,896 |
| Capital assets | 1,099,620 | 7,865,000 | 8,964,620 |
| Total all funds | $105,254,397 | $18,659,119 | $123,913,516 |
| Less estimated income | 64,047,767 | 10,588,652 | 74,636,419 |
| Total general fund | $41,206,630 | $8,070,467 | $49,277,097 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $5,135,290 | $55,218,690 |
| Capital assets | 455,823 | 35,500,000 | 35,955,823 |
| Total all funds | $50,539,223 | $40,635,290 | $91,174,513 |
| Less estimated income | 26,377,846 | 37,184,575 | 63,562,421 |
| Total general fund | $24,161,377 | $3,450,715 | $27,612,092 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,227,163 | $25,867,218 |
| Capital assets | 114,007 | 5,300,000 | 5,414,007 |
| Total all funds | $23,754,062 | $7,527,163 | $31,281,225 |
| Less estimated income | 14,216,200 | 5,934,747 | 20,150,947 |
| Total general fund | $9,537,862 | $1,592,416 | $11,130,278 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $19,850,819 | $238,103,877 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $19,850,819 | $248,780,027 |
| Less estimated income | 160,806,249 | 7,107,862 | 167,914,111 |

| | | | |
|---|---|---|---|
| Total general fund | $68,122,959 | $12,742,957 | $80,865,916 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,318,100 | $24,661,165 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,318,100 | $24,779,893 |
| Less estimated income | 10,669,315 | 8,471,957 | 19,141,272 |
| Total general fund | $4,792,478 | $846,143 | $5,638,621 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $162,915,240 | $849,243,766 |
| Grand total special funds | 1,926,770,039 | 509,003,468 | 2,435,773,507 |
| Grand total all funds | $2,613,098,565 | $671,918,708 | $3,285,017,273" |

Page 8, replace lines 8 through 12 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $209,976,971 |
| Capital project inflation - general fund | 0 | 18,160,000 |
| Capital projects - other funds | 4,363,000 | 201,747,055 |
| University of North Dakota national security initiative | 0 | 9,000,000 |
| North Dakota state university additional minimum amount payable adjustment | 0 | 4,800,000 |
| North Dakota state college of science additional minimum amount payable adjustment | 0 | 1,005,347 |
| Mayville state university discretionary funding | 0 | 1,750,000" |

Page 8, remove lines 28 through 31

Page 9, replace lines 1 through 6 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 20,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Financial aid software | 0 | 1,669,354 |
| Total all funds | $207,876,121 | $468,558,727 |
| Total other funds | 190,851,121 | 411,724,026 |
| Total general fund | $17,025,000 | $56,834,701" |

Page 9, line 22, replace "sections 1 and 4" with "section 1"

Page 9, remove lines 23 through 29

Page 10, line 9, replace "$293,290,000" with "$209,976,971"

Page 10, replace lines 11 through 23 with:

| | |
|---|---|
| "Williston state college medical healthcare building | $27,962,053 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 18,975,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Mayville state university old main renovation | 15,000,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Valley City state university McCarthy hall renovation | 10,474,918 |
| Dakota college at Bottineau old main renovation | 3,300,000 |
| Total strategic investment and improvements fund | $209,976,971" |

Page 10, remove lines 24 through 30

Page 11, remove lines 1 through 30

Page 12, remove lines 1 through 4

Page 12, line 21, replace "$7,500,000" with "$3,400,000"

Page 12, line 26, replace "$7,500,000" with "$3,400,000"

Page 12, after line 28, insert:

"**SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND.** The office of management and budget shall transfer $5,500,000 from the strategic investment and improvements fund to the economic diversification research fund, the sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to institutions under the control of the state board of higher eduction, for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education."

Page 12, line 31, replace "$29,000,000" with "$24,000,000"

Page 13, line 1, replace "biennium beginning July 1, 2023" with "period beginning with the effective date of this Act"

Page 13, replace lines 5 through 16 with:

| | | | |
|---|---|---|---|
| "Bismarck state college | $638,540 | $500,000 | $1,138,540 |
| Lake Region state college | 266,062 | 500,000 | 766,062 |
| Williston state college | 206,920 | 500,000 | 706,920 |
| University of North Dakota | 6,542,702 | 2,250,000 | 8,792,702 |
| North Dakota state university | 4,349,394 | 2,250,000 | 6,599,394 |
| North Dakota state college of science | 751,042 | 500,000 | 1,251,042 |
| Dickinson state university | 403,293 | 500,000 | 903,293 |
| Mayville state university | 360,044 | 500,000 | 860,044 |
| Minot state university | 859,202 | 500,000 | 1,359,202 |
| Valley City state university | 463,705 | 500,000 | 963,705 |
| Dakota college at Bottineau | 159,096 | 500,000 | 659,096 |
| Total | $15,000,000 | $9,000,000 | $24,000,000" |

Page 13, replace lines 20 and 21 with:

| | |
|---|---|
| "Bismarck state college polytechnic project inflation | $12,400,000 |
| Lake region state college wind turbine gearbox replacement and parking lot repairs" | 1,000,000 |

Page 13, replace line 24 with:

"University of North Dakota Merrifield hall and Twamley hall project inflation 12,500,000"

Page 13, replace line 29 with:

| | |
|---|---|
| "Dickinson state university generator and project inflation | 2,600,000 |
| Mayville state university old main renovation | 49,970,100 |
| Minot state university Hartnett hall project inflation | 4,000,000" |

Page 14, replace lines 1 and 2 with:

| | |
|---|---|
| "Dakota college at Bottineau old main renovation | 5,300,000 |
| Total | $341,845,100 |

**SECTION 13. MAYVILLE STATE UNIVERSITY - OLD MAIN PROJECT - LOAN AUTHORIZATION.** The legislative assembly authorizes the Mayville state university old main renovation project to be funded in two phases as provided under this section. The capital assets line item in subdivision 9 of section 1 of this Act includes the sum of $17,330,087, or so much of the sum as may be necessary, for phase 1 of the project. During the biennium beginning July 1, 2023, and ending June 30, 2025, and continuing into the biennium beginning July 1, 2025, and ending June 30, 2027, the state board of higher education may borrow the sum of $34,924,814, or so much of the sum as may be necessary, from the Bank of North Dakota for completion of phase 2 of the Mayville state university old main renovation project. The state board of higher education shall seek funding from the sixty-ninth legislative assembly to repay the loan authorized under this section."

Page 14, line 5, remove "The state board of higher education may not include requests for any state funds for"

Page 14, remove lines 6 through 15

Page 14, line 16, remove "3."

Page 14, line 16, replace "possession of" with "pledged"

Page 14, line 19, replace "4." with "2."

Page 14, line 25, replace "5." with "3."

Page 14, line 25, replace "Any" with "It is the intent of the sixty-eighth legislative assembly that any"

Page 15, replace lines 3 through 10 with:

"**SECTION 16.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**Economic diversification research fund - Report to legislative management.**

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in or transferred to the fund pursuant to legislative action. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.

2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award grants to institutions under the control of the state board of higher education. The sum of five million dollars must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.

4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations."

Page 15, line 13, remove "budget "

Page 15, line 14, replace "section" with "legislative management"

Page 15, line 15, remove "budget"

Page 15, line 16, replace "section" with "legislative management"

Page 15, remove lines 21 through 31

Page 16, remove lines 1 through 8

Page 16, after line 26, insert:

"**SECTION 20.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Larry C. Skogen polytechnic institute.**

The polytechnic center constructed on the campus of Bismarck state college is officially named the Larry C. Skogen polytechnic institute."

Page 22, line 3, replace "five million" with "two million seven hundred thousand"

Page 22, line 5, replace "four million" with "two million two hundred thousand"

Page 22, line 6, remove "each"

Page 22, line 7, remove "and the North Dakota state university"

Page 22, line 8, remove "main research center"

Page 22, after line 10, insert:

"**SECTION 25.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted as follows:

**Agricultural research and extension - Matching grants - North Dakota state university agricultural experiment station.**

1. a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of North Dakota state university for projects dedicated exclusively to agricultural research and extension at the agricultural experiment station. Notwithstanding section 15-10-53, awards under this section may be used for endowments, operations, facility repair projects, and new capital construction projects.

   b. To be eligible for a matching grant, the institution shall demonstrate:

      (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and

      (2) The project has been approved by the grant review committee established in section 15-10-51.

   c. The board may award up to two million two hundred thousand dollars in matching grants under this section.

   d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process."

Page 22, line 14, replace "Three million" with "One million seven hundred thousand"

Page 22, line 17, replace "Two million" with "One million one hundred thousand"

Page 22, line 19, replace "One million" with "Six hundred thousand"

Page 24, line 22, replace "$72.39" with "$73.15"

Page 24, line 24, replace "$102.78" with "$103.76"

Page 24, line 26, replace "$109.30" with "$110.38"

Page 25, line 25, replace "six hundred fifty" with "three hundred seventy-five"

Page 25, line 26, replace "One thousand one hundred" with "Nine hundred seventeen"

Page 26, line 3, overstrike "creation of" and insert immediately thereafter "purpose of digitizing documents relating to Theodore Roosevelt and for creating"

Page 27, line 28, remove ", 15-10-53,"

Page 28, line 11, remove "**- LAKE REGION STATE**"

Page 28, line 12, remove "**COLLEGE - ESTIMATED INCOME**"

Page 28, line 12, remove "The estimated income line item in subdivision 3 of"

Page 28, replace lines 13 through 15 with:

"Notwithstanding any matching requirements in chapter 15-54.1, the following projects are authorized to use funding from the respective institution's allocation in the university system capital building fund:

| | |
|---|---|
| Lake region state college wind turbine gearbox replacement and parking lot repairs | $1,000,000 |
| Williston state college medical healthcare building | 637,947 |
| Mayville state university old main renovation | 2,330,087 |
| Valley City state university McCarthy hall renovation | 1,025,082 |
| Dakota college at Bottineau old main renovation | 1,000,000 |
| Total | $5,993,116" |

Page 28, line 27, after the second "programs" insert ", including for the Twamley hall project at the university of North Dakota,"

Page 28, line 27, remove "biennium beginning July 1,"

Page 28, line 28, replace "2023" with "period beginning with the effective date of this Act"

Page 28, after line 28, insert:

"**SECTION 43. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The study must include a review of all funding sources relating to dual-credit courses in the state, including tuition and fees, the higher education funding formula, elementary and secondary education integrated formula payments, institution scholarships, state scholarships, and the Bank of North Dakota. The study must also include a review of funding for dual-credit courses in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

**SECTION 44. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the emergence of artificial intelligence and the potential impacts on the state's institutions, agencies, businesses, citizens, and youth. The study must include a review of the effect of artificial intelligence on the provision of health care, effects on student learning, potential opportunities or threats to the integrity of state services, the potential impact on electoral processes, including mitigating action to be taken leading up to the 2024 state elections, opportunities for state investment or policy changes to promote artificial intelligence businesses, and cybersecurity implications across all state institutions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Page 28, line 31, remove "and fee"

Page 29, line 5, remove "and fee"

Page 30, line 1, after "hygienist" insert "and dental assistant"

Page 30, after line 2, insert:

"**SECTION 47. CAMPUS CAPITAL PROJECTS - 2025-27 BIENNIUM - LEGISLATIVE INTENT.** It is the intent of the sixty-eighth legislative assembly that the sixty-ninth legislative assembly appropriate funding from state funds or bond proceeds as follows for capital projects, in addition to any necessary authorization for the use of local matching funds, for the biennium beginning July 1, 2025, and ending June 30, 2027:

| | |
|---|---|
| University of North Dakota science, technology, engineering, and math building | $55,640,000 |
| Minot state university academic building | 8,132,000 |
| Mayville state university old main renovation or loan repayment | 34,924,814 |
| Total legislative intent | $98,696,814" |

Page 30, line 3, replace "Section 35" with "Sections 5, 11, 12, 14, 34, 40, 42, and the capital assets line items in section 1"

Page 30, line 3, replace "is" with "are"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of Conference Committee Action**

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Total all funds | $142,655,511 | $236,706,896 | ($56,444,183) | $180,262,713 | $189,387,713 | ($9,125,000) |
| Less estimated income | 25,757,035 | 26,629,233 | (385,125) | 26,244,108 | 26,244,108 | 0 |
| General fund | $116,898,476 | $210,077,663 | ($56,059,058) | $154,018,605 | $163,143,605 | ($9,125,000) |
| FTE | 158.83 | 162.83 | 0.00 | 162.83 | 163.83 | (1.00) |
| Bismarck State College | | | | | | |
| Total all funds | $102,493,948 | $141,013,611 | $13,080,025 | $154,093,636 | $122,797,636 | $31,296,000 |
| Less estimated income | 70,409,893 | 104,810,627 | 2,968,954 | 107,779,581 | 81,279,581 | 26,500,000 |
| General fund | $32,084,055 | $36,202,984 | $10,111,071 | $46,314,055 | $41,518,055 | $4,796,000 |
| FTE | 332.90 | 335.33 | 0.00 | 335.33 | 335.33 | 0.00 |
| Lake Region State College | | | | | | |
| Total all funds | $39,513,580 | $42,136,398 | $640,691 | $42,777,089 | $43,455,775 | ($678,686) |
| Less estimated income | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 | 27,528,767 | 0 |
| General fund | $14,242,152 | $15,209,842 | $38,480 | $15,248,322 | $15,927,008 | ($678,686) |
| FTE | 115.76 | 120.59 | 0.00 | 120.59 | 120.59 | 0.00 |
| Williston State College | | | | | | |
| Total all funds | $35,306,272 | $82,009,207 | $140,052 | $82,149,259 | $82,318,399 | ($169,140) |
| Less estimated income | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 | 69,030,927 | 0 |
| General fund | $11,286,737 | $13,159,117 | ($40,785) | $13,118,332 | $13,287,472 | ($169,140) |
| FTE | 101.29 | 102.83 | 0.00 | 102.83 | 102.83 | 0.00 |
| University of North Dakota | | | | | | |
| Total all funds | $906,584,896 | $1,198,001,089 | ($92,335,342) | $1,105,665,747 | $1,107,643,179 | ($1,977,432) |
| Less estimated income | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 | 912,461,608 | 0 |
| General fund | $150,927,125 | $223,729,352 | ($30,525,213) | $193,204,139 | $195,181,571 | ($1,977,432) |
| FTE | 2,059.98 | 2,060.56 | 0.00 | 2,060.56 | 2,060.56 | 0.00 |
| UND Medical Center | | | | | | |
| Total all funds | $228,929,208 | $246,725,638 | $2,054,389 | $248,780,027 | $248,780,027 | $0 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Less estimated income | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 | 167,914,111 | 0 |
| General fund | $68,122,959 | $80,136,671 | $729,245 | $80,865,916 | $80,865,916 | $0 |
| FTE | 492.67 | 488.83 | 0.00 | 488.83 | 488.83 | 0.00 |
| North Dakota State University | | | | | | |
| Total all funds | $763,848,425 | $920,309,083 | $4,413,186 | $924,722,269 | $926,260,622 | ($1,538,353) |
| Less estimated income | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 | 760,523,651 | 0 |
| General fund | $138,431,325 | $164,390,948 | ($192,330) | $164,198,618 | $165,736,971 | ($1,538,353) |
| FTE | 1,829.43 | 1,867.50 | 0.00 | 1,867.50 | 1,867.50 | 0.00 |
| State College of Science | | | | | | |
| Total all funds | $96,559,844 | $121,371,653 | $1,855,237 | $123,226,890 | $103,438,640 | $19,788,250 |
| Less estimated income | 60,845,052 | 83,058,003 | 401,616 | 83,459,619 | 63,484,619 | 19,975,000 |
| General fund | $35,714,792 | $38,313,650 | $1,453,621 | $39,767,271 | $39,954,021 | ($186,750) |
| FTE | 311.61 | 313.95 | 0.00 | 313.95 | 313.95 | 0.00 |
| Dickinson State University | | | | | | |
| Total all funds | $51,235,138 | $74,317,834 | $2,761,746 | $77,079,580 | $77,406,580 | ($327,000) |
| Less estimated income | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 | 51,677,970 | 0 |
| General fund | $20,242,730 | $23,903,807 | $1,497,803 | $25,401,610 | $25,728,610 | ($327,000) |
| FTE | 175.50 | 178.00 | 0.00 | 178.00 | 178.00 | 0.00 |
| Mayville State University | | | | | | |
| Total all funds | $50,962,268 | $105,818,246 | ($30,707,330) | $75,110,916 | $106,309,663 | ($31,198,747) |
| Less estimated income | 32,282,440 | 84,015,644 | (32,353,538) | 51,662,106 | 84,302,119 | (32,640,013) |
| General fund | $18,679,828 | $21,802,602 | $1,646,208 | $23,448,810 | $22,007,544 | $1,441,266 |
| FTE | 230.35 | 226.92 | 0.00 | 226.92 | 226.92 | 0.00 |
| Minot State University | | | | | | |
| Total all funds | $105,254,397 | $126,949,121 | ($3,035,605) | $123,913,516 | $124,083,516 | ($170,000) |
| Less estimated income | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 | 74,636,419 | 0 |
| General fund | $41,206,630 | $47,396,793 | $1,880,304 | $49,277,097 | $49,447,097 | ($170,000) |
| FTE | 403.04 | 423.63 | 0.00 | 423.63 | 423.63 | 0.00 |
| Valley City State University | | | | | | |
| Total all funds | $50,539,223 | $90,901,990 | $272,523 | $91,174,513 | $77,910,513 | $13,264,000 |
| Less estimated income | 26,377,846 | 63,314,690 | 247,731 | 63,562,421 | 50,062,421 | 13,500,000 |
| General fund | $24,161,377 | $27,587,300 | $24,792 | $27,612,092 | $27,848,092 | ($236,000) |
| FTE | 202.77 | 211.94 | 0.00 | 211.94 | 211.94 | 0.00 |
| Dakota College at Bottineau | | | | | | |
| Total all funds | $23,754,062 | $31,247,197 | $34,028 | $31,281,225 | $31,951,225 | ($670,000) |
| Less estimated income | 14,216,200 | 20,055,822 | 95,125 | 20,150,947 | 20,650,947 | (500,000) |
| General fund | $9,537,862 | $11,191,375 | ($61,097) | $11,130,278 | $11,300,278 | ($170,000) |
| FTE | 91.86 | 84.00 | 0.00 | 84.00 | 84.00 | 0.00 |
| Forest Service | | | | | | |
| Total all funds | $15,461,793 | $24,714,730 | $65,163 | $24,779,893 | $24,779,893 | $0 |
| Less estimated income | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 | 19,141,272 | 0 |
| General fund | $4,792,478 | $5,575,521 | $63,100 | $5,638,621 | $5,638,621 | $0 |
| FTE | 28.00 | 29.00 | 0.00 | 29.00 | 29.00 | 0.00 |
| Bank of North Dakota | | | | | | |
| Total all funds | $0 | $0 | $5,500,000 | $5,500,000 | $10,000,000 | ($4,500,000) |
| Less estimated income | 0 | 0 | 5,500,000 | 5,500,000 | 10,000,000 | (4,500,000) |
| General fund | $0 | $0 | $0 | $0 | $0 | $0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Bill total | | | | | | |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($151,705,420) | $3,290,517,273 | $3,276,523,381 | $13,993,892 |
| Less estimated income | 1,926,770,039 | 2,523,545,068 | (82,271,561) | 2,441,273,507 | 2,418,938,520 | 22,334,987 |
| General fund | $686,328,526 | $918,677,625 | ($69,433,859) | $849,243,766 | $857,584,861 | ($8,341,095) |
| FTE | 6,533.99 | 6,605.91 | 0.00 | 6,605.91 | 6,606.91 | (1.00) |

## House Bill No. 1003 - General Fund Summary

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | $116,898,476 | $210,077,663 | ($56,059,058) | $154,018,605 | $163,143,605 | ($9,125,000) |
| Bismarck State College | 32,084,055 | 36,202,984 | 10,111,071 | 46,314,055 | 41,518,055 | 4,796,000 |
| Lake Region State College | 14,242,152 | 15,209,842 | 38,480 | 15,248,322 | 15,927,008 | (678,686) |
| Williston State College | 11,286,737 | 13,159,117 | (40,785) | 13,118,332 | 13,287,472 | (169,140) |
| University of North Dakota | 150,927,125 | 223,729,352 | (30,525,213) | 193,204,139 | 195,181,571 | (1,977,432) |
| UND Medical Center | 68,122,959 | 80,136,671 | 729,245 | 80,865,916 | 80,865,916 | |
| North Dakota State University | 138,431,325 | 164,390,948 | (192,330) | 164,198,618 | 165,736,971 | (1,538,353) |
| State College of Science | 35,714,792 | 38,313,650 | 1,453,621 | 39,767,271 | 39,954,021 | (186,750) |
| Dickinson State University | 20,242,730 | 23,903,807 | 1,497,803 | 25,401,610 | 25,728,610 | (327,000) |
| Mayville State University | 18,679,828 | 21,802,602 | 1,646,208 | 23,448,810 | 22,007,544 | 1,441,266 |
| Minot State University | 41,206,630 | 47,396,793 | 1,880,304 | 49,277,097 | 49,447,097 | (170,000) |
| Valley City State University | 24,161,377 | 27,587,300 | 24,792 | 27,612,092 | 27,848,092 | (236,000) |
| Dakota College at Bottineau | 9,537,862 | 11,191,375 | (61,097) | 11,130,278 | 11,300,278 | (170,000) |
| Forest Service | 4,792,478 | 5,575,521 | 63,100 | 5,638,621 | 5,638,621 | |
| Bank of North Dakota | | | | | | |
| Total general fund | $686,328,526 | $918,677,625 | ($69,433,859) | $849,243,766 | $857,584,861 | ($8,341,095) |

## Detail of Conference Committee Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Reduces Funding for Research Network[4] | Adjusts Funding for Capital Projects[5] | Adjusts Funding for the Behavioral Health Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($56,059,058) | | | | | |
| Bismarck State College | | $355,071 | | | $9,960,000 | ($204,000) |
| Lake Region State College | | 147,480 | | | | (109,000) |
| Williston State College | | 128,355 | | | | (169,140) |
| University of North Dakota | | 1,835,887 | | ($701,100) | 5,000,000 | (660,000) |
| UND Medical Center | | 729,245 | | | | |
| North Dakota State University | | 1,608,770 | | (701,100) | | (1,100,000) |
| State College of Science | | 635,024 | | | | (186,750) |
| Dickinson State University | | 224,803 | | | 1,600,000 | (327,000) |
| Mayville State University | | 204,942 | | | | (308,734) |
| Minot State University | | 450,304 | | | 1,600,000 | (170,000) |
| Valley City State University | | 260,792 | | | | (236,000) |
| Dakota College at Bottineau | | 108,903 | | | | (170,000) |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total general fund | ($56,059,058) | $6,689,576 | $0 | ($1,402,200) | $18,160,000 | ($3,640,624) |

| | Reduces Funding for National Security Initiative[7] | Removes Funding for Workforce Education[8] | Adds Funding for Adjusted Minimum Amount Payable[9] | Adds Discretionary Funding[10] | Adjusts Forest Service Funding[11] | Adds Funding for Economic Diversification Research Grants[12] |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Bismarck State College | | | | | | |
| Lake Region State College | | | | | | |
| Williston State College | | | | | | |
| University of North Dakota | ($36,000,000) | | | | | |
| UND Medical Center | | | | | | |
| North Dakota State University | | ($4,800,000) | $4,800,000 | | | |
| State College of Science | | | 1,005,347 | | | |
| Dickinson State University | | | | | | |
| Mayville State University | | | | $1,750,000 | | |
| Minot State University | | | | | | |
| Valley City State University | | | | | | |
| Dakota College at Bottineau | | | | | | |
| Forest Service | | | | | $63,100 | |
| Bank of North Dakota | | | | | | |
| Total general fund | ($36,000,000) | ($4,800,000) | $5,805,347 | $1,750,000 | $63,100 | $0 |

| | Total the General Fund Changes |
|---|---|
| University System Office | ($56,059,058) |
| Bismarck State College | 10,111,071 |
| Lake Region State College | 38,480 |
| Williston State College | (40,785) |
| University of North Dakota | (30,525,213) |
| UND Medical Center | 729,245 |
| North Dakota State University | (192,330) |
| State College of Science | 1,453,621 |
| Dickinson State University | 1,497,803 |
| Mayville State University | 1,646,208 |
| Minot State University | 1,880,304 |
| Valley City State University | 24,792 |
| Dakota College at Bottineau | (61,097) |
| Forest Service | 63,100 |
| Bank of North Dakota | |
| Total general fund | ($69,433,859) |

## House Bill No. 1003 - Other Funds Summary

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | $25,757,035 | $26,629,233 | ($385,125) | $26,244,108 | $26,244,108 | |
| Bismarck State College | 70,409,893 | 104,810,627 | 2,968,954 | 107,779,581 | 81,279,581 | $26,500,000 |
| Lake Region State College | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 | 27,528,767 | |
| Williston State College | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 | 69,030,927 | |
| University of North Dakota | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 | 912,461,608 | |
| UND Medical Center | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 | 167,914,111 | |
| North Dakota State University | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 | 760,523,651 | |
| State College of Science | 60,845,052 | 83,058,003 | 401,616 | 83,459,619 | 63,484,619 | 19,975,000 |
| Dickinson State University | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 | 51,677,970 | |
| Mayville State University | 32,282,440 | 84,015,644 | (32,353,538) | 51,662,106 | 84,302,119 | (32,640,013) |
| Minot State University | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 | 74,636,419 | |
| Valley City State University | 26,377,846 | 63,314,690 | 247,731 | 63,562,421 | 50,062,421 | 13,500,000 |
| Dakota College at Bottineau | 14,216,200 | 20,055,822 | 95,125 | 20,150,947 | 20,650,947 | (500,000) |
| Forest Service | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 | 19,141,272 | |
| Bank of North Dakota | | | 5,500,000 | 5,500,000 | 10,000,000 | (4,500,000) |
| Total other funds | $1,926,770,039 | $2,523,545,068 | ($82,271,561) | $2,441,273,507 | $2,418,938,520 | $22,334,987 |

## Detail of Conference Committee Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Reduces Funding for Research Network[4] | Adjusts Funding for Capital Projects[5] | Adjusts Funding for the Behavioral Health Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($385,125) | | | | | |
| Bismarck State College | | | $528,954 | | $2,440,000 | |
| Lake Region State College | | | 202,211 | | 400,000 | |
| Williston State College | | | 180,837 | | | |
| University of North Dakota | | | 5,689,871 | | (67,500,000) | |
| UND Medical Center | | | 1,325,144 | | | |
| North Dakota State University | | | 4,605,516 | | | |
| State College of Science | | | 401,616 | | | |
| Dickinson State University | | | 263,943 | | 1,000,000 | |
| Mayville State University | | | 286,475 | | (32,640,013) | |
| Minot State University | | | 684,091 | | (5,600,000) | |
| Valley City State University | | | 247,731 | | | |
| Dakota College at Bottineau | | | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total other funds | ($385,125) | $0 | $14,511,514 | $0 | ($101,900,013) | $0 |

| | Reduces Funding for National Security Initiative[7] | Removes Funding for Workforce Education[8] | Adds Funding for Adjusted Minimum Amount Payable[9] | Adds Discretionary Funding[10] | Adjusts Forest Service Funding[11] | Adds Funding for Economic Diversification Research Grants[12] |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Bismarck State College | | | | | | |
| Lake Region State College | | | | | | |
| Williston State College | | | | | | |
| University of North Dakota | | | | | | |
| UND Medical Center | | | | | | |
| North Dakota State University | | | | | | |
| State College of Science | | | | | | |
| Dickinson State University | | | | | | |
| Mayville State University | | | | | | |
| Minot State University | | | | | | |
| Valley City State University | | | | | | |
| Dakota College at Bottineau | | | | | | |
| Forest Service | | | | | $2,063 | |
| Bank of North Dakota | | | | | | $5,500,000 |
| Total other funds | $0 | $0 | $0 | $0 | $2,063 | $5,500,000 |

| | Total Other Funds Changes |
|---|---|
| University System Office | ($385,125) |
| Bismarck State College | 2,968,954 |
| Lake Region State College | 602,211 |
| Williston State College | 180,837 |
| University of North Dakota | (61,810,129) |
| UND Medical Center | 1,325,144 |
| North Dakota State University | 4,605,516 |
| State College of Science | 401,616 |
| Dickinson State University | 1,263,943 |
| Mayville State University | (32,353,538) |
| Minot State University | (4,915,909) |
| Valley City State University | 247,731 |
| Dakota College at Bottineau | 95,125 |
| Forest Service | 2,063 |
| Bank of North Dakota | 5,500,000 |
| Total other funds | ($82,271,561) |

## House Bill No. 1003 - All Funds Summary

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|---|---|---|---|---|---|---|
| University System Office | $142,655,511 | $236,706,896 | ($56,444,183) | $180,262,713 | $189,387,713 | ($9,125,000) |
| Bismarck State College | 102,493,948 | 141,013,611 | 13,080,025 | 154,093,636 | 122,797,636 | 31,296,000 |
| Lake Region State College | 39,513,580 | 42,136,398 | 640,691 | 42,777,089 | 43,455,775 | (678,686) |
| Williston State College | 35,306,272 | 82,009,207 | 140,052 | 82,149,259 | 82,318,399 | (169,140) |
| University of North Dakota | 906,584,896 | 1,198,001,089 | (92,335,342) | 1,105,665,747 | 1,107,643,179 | (1,977,432) |
| UND Medical Center | 228,929,208 | 246,725,638 | 2,054,389 | 248,780,027 | 248,780,027 | |
| North Dakota State University | 763,848,425 | 920,309,083 | 4,413,186 | 924,722,269 | 926,260,622 | (1,538,353) |
| State College of Science | 96,559,844 | 121,371,653 | 1,855,237 | 123,226,890 | 103,438,640 | 19,788,250 |
| Dickinson State University | 51,235,138 | 74,317,834 | 2,761,746 | 77,079,580 | 77,406,580 | (327,000) |
| Mayville State University | 50,962,268 | 105,818,246 | (30,707,330) | 75,110,916 | 106,309,663 | (31,198,747) |
| Minot State University | 105,254,397 | 126,949,121 | (3,035,605) | 123,913,516 | 124,083,516 | (170,000) |
| Valley City State University | 50,539,223 | 90,901,990 | 272,523 | 91,174,513 | 77,910,513 | 13,264,000 |
| Dakota College at Bottineau | 23,754,062 | 31,247,197 | 34,028 | 31,281,225 | 31,951,225 | (670,000) |
| Forest Service | 15,461,793 | 24,714,730 | 65,163 | 24,779,893 | 24,779,893 | |
| Bank of North Dakota | | | 5,500,000 | 5,500,000 | 10,000,000 | (4,500,000) |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($151,705,420) | $3,290,517,273 | $3,276,523,381 | $13,993,892 |
| FTE | 6,533.99 | 6,605.91 | 0.00 | 6,605.91 | 6,606.91 | (1.00) |

## Detail of Conference Committee Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Reduces Funding for Research Network[4] | Adjusts Funding for Capital Projects[5] | Adjusts Funding for the Behavioral Health Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($56,444,183) | | | | | |
| Bismarck State College | | $355,071 | $528,954 | | $12,400,000 | ($204,000) |
| Lake Region State College | | 147,480 | 202,211 | | 400,000 | (109,000) |
| Williston State College | | 128,355 | 180,837 | | | (169,140) |
| University of North Dakota | | 1,835,887 | 5,689,871 | ($701,100) | (62,500,000) | (660,000) |
| UND Medical Center | | 729,245 | 1,325,144 | | | |
| North Dakota State University | | 1,608,770 | 4,605,516 | (701,100) | | (1,100,000) |
| State College of Science | | 635,024 | 401,616 | | | (186,750) |
| Dickinson State University | | 224,803 | 263,943 | | 2,600,000 | (327,000) |
| Mayville State University | | 204,942 | 286,475 | | (32,640,013) | (308,734) |
| Minot State University | | 450,304 | 684,091 | | (4,000,000) | (170,000) |
| Valley City State University | | 260,792 | 247,731 | | | (236,000) |
| Dakota College at Bottineau | | 108,903 | 95,125 | | | (170,000) |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total all funds | ($56,444,183) | $6,689,576 | $14,511,514 | ($1,402,200) | ($83,740,013) | ($3,640,624) |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Reduces Funding for National Security Initiative[7] | Removes Funding for Workforce Education[8] | Adds Funding for Adjusted Minimum Amount Payable[9] | Adds Discretionary Funding[10] | Adjusts Forest Service Funding[11] | Adds Funding for Economic Diversification Research Grants[12] |
|---|---|---|---|---|---|---|
| University System Office | | | | | | |
| Bismarck State College | | | | | | |
| Lake Region State College | | | | | | |
| Williston State College | | | | | | |
| University of North Dakota | ($36,000,000) | | | | | |
| UND Medical Center | | | | | | |
| North Dakota State University | | ($4,800,000) | $4,800,000 | | | |
| State College of Science | | | 1,005,347 | | | |
| Dickinson State University | | | | | | |
| Mayville State University | | | | $1,750,000 | | |
| Minot State University | | | | | | |
| Valley City State University | | | | | | |
| Dakota College at Bottineau | | | | | | |
| Forest Service | | | | | $65,163 | |
| Bank of North Dakota | | | | | | $5,500,000 |
| Total all funds | ($36,000,000) | ($4,800,000) | $5,805,347 | $1,750,000 | $65,163 | $5,500,000 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Total All Funds Changes |
|---|---|
| University System Office | ($56,444,183) |
| Bismarck State College | 13,080,025 |
| Lake Region State College | 640,691 |
| Williston State College | 140,052 |
| University of North Dakota | (92,335,342) |
| UND Medical Center | 2,054,389 |
| North Dakota State University | 4,413,186 |
| State College of Science | 1,855,237 |
| Dickinson State University | 2,761,746 |
| Mayville State University | (30,707,330) |
| Minot State University | (3,035,605) |
| Valley City State University | 272,523 |
| Dakota College at Bottineau | 34,028 |
| Forest Service | 65,163 |
| Bank of North Dakota | 5,500,000 |
| Total all funds | ($151,705,420) |
| FTE | 0.00 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $145,345 | $5,459 | $150,804 |
| Health insurance increase | (2,532) | (118) | (2,650) |
| Academic, research, and student support | 400,000 | 0 | 400,000 |
| Salaries funding source change | 561,327 | (561,327) | 0 |
| Financial aid staff | (125,000) | 0 | (125,000) |
| New financial aid system one-time costs | 115,000 | 0 | 115,000 |
| Total | $1,094,140 | ($555,986) | $538,154 |

The conference committee did not add a new FTE vice chancellor position added by the Senate.

The following schedule details funding adjustments for core technology services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $355,691 | $176,319 | $532,010 |
| Health insurance increase | (8,889) | (5,458) | (14,347) |
| Software and a security operations center | (300,000) | 0 | (300,000) |
| Total | $46,802 | $170,861 | $217,663 |

The Senate reduced funding for software and a security operations center by $1.2 million.

The following schedule details general fund adjustments in other line items in the University System office budget:

| | House Version | Senate Version | Conference Committee Version |
|---|---|---|---|
| Student financial assistance grants | $35,917,306 | $29,917,306 | $29,917,306 |
| Tribally controlled community college grants | 2,000,000 | 1,400,000 | 1,400,000 |
| Challenge grants (one-time) | 36,000,000 | 20,000,000 | 20,000,000 |
| Workforce innovation grants (one-time) | 10,000,000 | 10,000,000 | 0 |
| Severance payment (one-time) | 0 | 300,000 | 0 |
| Passthrough grants (one-time) | 20,100,000 | 0 | 0 |
| Single parent support (one-time) | 4,500,000 | 0 | 0 |
| Total | $108,517,306 | $61,617,306 | $51,317,306 |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula, the same as the Senate:

**General Fund Adjustments**

| | Formula Adjustment | Salary Increase | Health Insurance Decrease | Total Increase |
|---|---|---|---|---|
| Bismarck State College | $0 | $369,687 | ($14,616) | $355,071 |
| Dakota College at Bottineau | 0 | 113,287 | (4,384) | 108,903 |
| Lake Region State College | 0 | 153,406 | (5,926) | 147,480 |
| State College of Science | 231,285 | 419,719 | (15,980) | 635,024 |
| Williston State College | 0 | 132,726 | (4,371) | 128,355 |
| Dickinson State University | 0 | 233,352 | (8,549) | 224,803 |
| Mayville State University | 0 | 213,346 | (8,404) | 204,942 |
| Minot State University | 0 | 468,250 | (17,946) | 450,304 |
| Valley City State University | 0 | 273,761 | (12,969) | 260,792 |
| North Dakota State University | 0 | 1,663,524 | (54,754) | 1,608,770 |
| University of North Dakota | 0 | 1,880,889 | (45,002) | 1,835,887 |
| UND School of Medicine | 0 | 749,087 | (19,842) | 729,245 |
| Total | $231,285 | $6,671,034 | ($212,743) | $6,689,576 |

Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate. The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[3] The following adjustments are made to institution other funds appropriations, the same as the Senate:

**Other Funds Adjustments**

| | Salary Increase | Health Insurance Adjustment | Total |
|---|---|---|---|
| Bismarck State College | $550,866 | ($21,912) | $528,954 |
| Dakota College at Bottineau | 99,613 | (4,488) | 95,125 |
| Lake Region State College | 209,775 | (7,564) | 202,211 |
| North Dakota State College of Science | 419,623 | (18,007) | 401,616 |
| Williston State College | 187,102 | (6,265) | 180,837 |
| Dickinson State University | 274,835 | (10,892) | 263,943 |
| Mayville State University | 302,911 | (16,436) | 286,475 |
| Minot State University | 710,937 | (26,846) | 684,091 |
| Valley City State University | 259,853 | (12,122) | 247,731 |
| North Dakota State University | 4,773,896 | (168,380) | 4,605,516 |
| University of North Dakota | 5,888,793. | (198,922) | 5,689,871 |
| UND School of Medicine | 1,356,739 | (31,595) | 1,325,144 |
| Total | $15,034,943 | ($523,429) | $14,511,514 |

[4] Ongoing funding of $6,402,200 from the general fund for research network costs at the University of North Dakota and North Dakota State University is reduced by $1,402,200, to provide $5,000,000 for research network costs. The House and Senate both included $6,402,200 for research network costs.

[5] One-time funding is adjusted for the following capital building projects, as compared to the House version:

| | General Fund | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Adjusts funding for BSC multipurpose academic and athletic center (The Senate removed funding for this project) | $0 | ($29,900,000) | $29,900,000 | $0 |
| Adds funding for BSC polytechnic building inflation (The Senate provided $4,960,000 from the general fund and $7,440,000 from other funds for this project) | 9,960,000 | | 2,440,000 | 12,400,000 |
| Increases funding for LRSC wind turbine gearbox and parking lot, the same as the Senate | 0 | 0 | 400,000 | 400,000 |
| Adjusts funding for WSC medical healthcare building (The Senate adjusted $8,787,947 from SIIF to other funds) | 0 | (6,787,947) | 6,787,947 | 0 |
| Removes funding for UND science, technology, engineering, and math building, the same as the Senate | 0 | (52,000,000) | (23,000,000) | (75,000,000) |
| Provides funding for UND Merrifield Hall and Twamley Hall inflation, the same as the Senate | 5,000,000 | 0 | 7,500,000 | 12,500,000 |
| Provides funding for DSU generator and other projects inflation, the same as the Senate | 1,600,000 | 0 | 1,000,000 | 2,600,000 |
| Adjusts funding for MaSU Old Main renovation (The Senate adjusted $7,770,100 from SIIF to other funds for this project) | 0 | (34,970,100) | 2,330,087 | (32,640,013) |
| Removes funding for MiSU academic building, the same as the Senate | 0 | (7,600,000) | (400,000) | (8,000,000) |
| Provides funding for MiSU Hartnett Hall inflation, the same as the Senate | 1,600,000 | 0 | 2,400,000 | 4,000,000 |
| Adjusts funding for VCSU McCarthy Hall (The Senate removed funding for this project) | 0 | (1,025,082) | 1,025,082 | 0 |
| Adjusts funding for DCB Old Main renovation (The Senate provided an additional $500,000 from other funds for the project) | 0 | (1,000,000) | 1,000,000 | 0 |
| Total capital projects | $18,160,000 | ($133,283,129) | $31,383,116 | ($83,740,013) |

The Senate also removed funding for the NDSCS agriculture, automation, and autonomous systems building and the VCSU McCarthy Hall project. The conference committee did not remove funding for these projects.

[6] One-time funding of $3,640,624 is removed for the behavioral health initiative. Both the House and Senate included this funding.

Ongoing funding of $2,791,083 from the general fund added by the House and Senate for the cost to continue salary increases is designated for support of behavioral health services.

[7] One-time funding is reduced by $36 million from the general fund to provide a total of $9 million for the University of North Dakota national security initiative, the same as the Senate. The House provided $45 million for the national security initiative.

[8] One-time funding of $4.8 million from the general fund added by the House for workforce education at North Dakota State University is removed, the same as the Senate.

[9] Funding is added as follows for an adjusted minimum amount payable, to provide additional funding for North Dakota State University and the North Dakota State College of Science:

| | General Fund |
|---|---|
| North Dakota State University | 4,800,000 |
| North Dakota State College of Science | 1,005,347 |
| Total | $5,805,347 |

The Senate also provided funding an adjusted minimum amount payable for Lake Region State College and the University of North Dakota. The House did not include funding for an adjusted minimum amount payable.

[10] One-time funding of $1.75 million from the general fund is added for discretionary funding at Mayville State University. Neither the House nor the Senate included this funding.

[11] Salaries and wages funding for the Forest Service is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate, as follows:

| | General Fund | Other Funds | Total |
|---|---|---|---|
| Salary increase | $66,058 | $2,181 | $68,239 |
| Health insurance adjustment | (2,958) | (118) | (3,076) |
| Total | $63,100 | $2,063 | $65,163 |

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[12] One-time funding of $5.5 million from the economic diversification research fund is appropriated to the Bank of North Dakota for grants to institutions under the control of the state board of higher education. The funding is transferred to the economic diversification research fund from the strategic investment and improvements fund. The Senate provided $10 million from the economic diversification research fund. The House did not include funding for economic diversification research grants.

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**House Bill No. 1003 - Other Changes - Conference Committee Action**

This amendment also:

- Removes a separate appropriation section for the Mayville State University Old Main project, the same as the Senate. Phase I of the project appropriation is moved to Section 1 of the bill. Loan authorization for phase II of the project is added in Section 13 of the bill. Neither the House nor the Senate had provided for the project to be funded in two phases.
- Adjusts funding for projects from the strategic investment and improvements fund (SIIF) to provide a total of $209,976,971 from SIIF for capital projects. The House provided $343,260,100 and the Senate provided $205,727,053 from SIIF for capital projects.
- Removes a section identifying $4.8 million from the general fund for workforce

education at North Dakota State University, the same as the Senate.

- Removes a section identifying $4.5 million from the general fund for student support for single mothers, the same as the Senate.
- Does not make the Senate adjustment to the source of funds for the reimbursement of a North Dakota State University severance agreement to provide $300,000 from the general fund.
- Reduces transfers from Bank of North Dakota profits to the career builders program from $15 million to $6.8 million, the same as the Senate.
- Adds sections to transfer $5.5 million from SIIF to a newly created economic diversification research fund. The Senate transferred $10 million from SIIF to the economic diversification research fund.
- Reduces the transfer from SIIF to the university system capital building fund by $5 million in tier II, to provide a total of $15 million in tier II and $9 million in tier III. Both the House and the Senate provided $20 million in tier II and $9 million in tier III.
- Adjusts the projects authorized to use funding from each institution's allocation in the University System capital building fund.
- Removes certain limitations on future institution requests for capital project funding, the same as the Senate.
- Removes a section allowing for a transfer of appropriation authority between the University of North Dakota and the School of Medicine and Health Sciences, the same as the Senate.
- Adjusts a section to provide for the commissioner of the North Dakota University System to provide an annual report to the Legislative Management instead of the Budget Section, the same as the Senate.
- Removes a section requiring future severance agreements to be paid from the University System office budget and for the agreements to be approved by the Emergency Commission and Budget Section, the same as the Senate.
- Removes a section requiring the State Board of Higher Education to approve or deny a request for a new academic program within 30 days, the same as the Senate.
- Adds a section to name the Bismarck State College polytechnic center the Larry C. Skogen Polytechnic Institute. Neither the House nor the Senate included this section.
- Adjusts the funding available to each institution under the challenge grant program and restores limitations on the use of state matching funds, the same as the Senate.
- Adjusts the base funding rate under the higher education funding formula to provide for a 6 percent salary increase on July 1, 2023, the same as the Senate.
- Reduces the increase in the maximum grant award under the student financial assistance grants program, the same as the Senate.
- Adjusts a section that allowed Dickinson State University to use $2 million for the digitization of documents relating to Theodore Roosevelt without establishing an endowment to provide that the university may also use an $8 million endowment for the digitization of documents.
- Exempts certain capital projects from matching requirements under the University System capital building fund program. The House and Senate also provided for certain capital projects to be exempt from capital building fund matching requirements.
- Clarifies that funding appropriated during the November 2021 special session for the University of North Dakota Merrifield Hall project also may be used for a renovation of Twamley Hall, the same as the Senate.
- Provides for a Legislative Management study of dual-credit funding, the same as the Senate.
- Provides for a Legislative Management study of artificial intelligence impacts, the same as the Senate.

- Clarifies that the tuition increase limitation does not include a limitation on fees charged to students, the same as the Senate.
- Clarifies that both dental hygiene and dental assistant credits should be placed under the career and technical education program classification within the higher education funding formula, the same as the Senate.
- Provides legislative intent for certain campus capital projects to be funded during the 2025-27 biennium. Neither the House nor the Senate included this legislative intent section.
- Provides an emergency declaration for capital projects.

Engrossed HB 1003 was placed on the Seventh order of business on the calendar.

**TESTIMONY**

**HB 1003**

NORTH DAKOTA
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# HB1003

House Appropriations Committee
January 5, 2023
Tim Mihalick, State Board of Higher Education Vice Chair

Chair Vigesaa and Committee Members: My name is Tim Mihalick and I serve as the Vice Chair of the State Board of Higher Education. I am here today to begin discussion of HB1003.

The State Board of Higher Education has eight voting members selected via committee and appointed by the governor and approved by the Senate. We have two non-voting board members who serve in an advisee role as representatives of both the staff and faculty that work within our higher education system. Our mission is to enhance the quality of life, and the social and economic vitality of all served by its public colleges and universities. Our Board has six strategic goals that include: a recently added specific goal regarding workforce development, optimizing student affordability while maintaining campus financial health; providing access to programs people want, where and when they need them; preparing students for success; maximizing the strengths of a unified system; and research excellence and innovation. Because of those we serve, we added the sixth goal of workforce development because we know how important our business community is, and, we connect students and people to workforce across the state and we take that into consideration with all aspects of what we do.

We thank you for your past support of higher education and the governor for his recent budget recommendations. The State Board of Higher Education exists to serve the state and its citizens, as you do, and our job is to ensure that policy reflects the needs of our students and the staff and faculty that are the backbone of our institutions.

It is that connection of people, higher education, and workforce, which continues to guide us into the future. The three pillars that we focus on to develop higher education now and into the future include:

1. Workforce:

Our budget has investment opportunities for the state that create economic diversification through research and further innovation on our campuses.

*Workforce training and innovative collaboration* – Public private partnerships as well as partnerships with industry and business, are very important to both connect students with jobs and continue to build North Dakota's economy.

- *Career and Technical Education:* Dickinson State University is working with Dickinson Public Schools and Career and Technical Education on the proposed construction of a career academy to train area high school and post-secondary students in fields like welding, truck driving, diesel mechanics, CNA, and other health care careers, and possibly even robotics.

- *Apprenticeships & Internships:* LRSC is continuing to work on apprenticeships, including with Northrup Grumman in New Town and another coming to the Grand Sky facility at the GFAFB. LRSC has also expanded its Wind Energy Tech training to Tioga to train oilfield workers to work on wind farms.

- *Dual Mission:* The dual mission committee worked with local and educational partners to bring new opportunities to Dickinson. DSU brought welding and CNA training to Dickinson as well as commercial truck driver training class. The university also expanded certificate, associate, and graduate program offerings.

We continue to find great success through Public Private Partnerships and strive to continue utilizing them across the system to address capital funding needs. This lowers the burden to the state and allows for needed improvements.

2. Innovation:

Our campuses continue to innovate throughout the system including in classroom study/space, research and adapting ever-evolving technology in learning spaces that eventually helps students innovate in the workplace. Examples of innovation include:

- *E-COR – Electronic Curriculum Open Resources:* The future of higher education will include increased pressure for high quality, relevant online education courses and content. By working as a system, we have an opportunity to create the best online higher education content and system in the country. The basic framework is that faculty can share course content they have created across the system with an incentive to reward the faculty member whose course is used more frequently. This will ensure content and courses are current, relevant and the best in the country.

- *Dakota Digital Academy:* The Dakota Digital Academy (DDA) was launched to coordinate, expand, and enhance educational opportunities in computing and cyber sciences in North Dakota and the upper Midwest. DDA has funded several certificates in Cybersecurity and Software Development. The courses are offered through a web portal and are stackable to serve workforce needs.

3. Student success:

Student success is the cornerstone of our overall success. We know legislative support for scholarships such as the *Challenge Grant and Career Builders* has been valuable to students being

able to access higher education needs throughout the system. We encourage continuation of these programs to support our students' learning needs.

Equally important is student mental and behavioral health. We are in the business of educating the whole being of students to ensure their success. We have received direct feedback from our students emphasizing the importance of these needs and have responded through the Student Tele-mental Health, which has proven to be a great resource for our campuses.

We also advocate for continuing dual credit opportunities for our students across the state. Students can save time and money through dual credit and begin a foundation for higher education attainment more quickly and at a lower cost. It is an opportunity that can mean college is more affordable, more accessible and less time consuming once a student gets to college.

Relatedly, Dakota College at Bottineau's addition of the LEAP Beyond program (Leading to Education and Advanced Preparation) allows high school students to earn an associate's degree alongside their high school diploma, saving students up to two years of time and $67.49 per credit thanks to the discounted dual credit rate.

In support of these three pillars, we need a strong foundation in which higher education can serve our communities, state, and students. To this end, we support the development of a stabilization fund that would make higher education less susceptible to the highs and lows of the markets, which hinders our ability to create opportunities for students and feasible job skills for the workplace.

In closing, we are committed to preparing students for lifelong learning and to support a broad spectrum of workforce needs throughout the state. In our pursuit of connecting students to careers, we want to ensure North Dakota is also prepared to meet the challenges ahead. We will continue to work toward the betterment of the entire state and delivering the benefits of higher education our communities are accustomed to.

The University system and its 11 institutions provide the state with an educated workforce ready to meet the challenges of an ever-changing work environment while providing outreach and continuing education programs for the state's residents and businesses. We will continue to create and support jobs and employment opportunities through research, extension, and teaching activities, all of which provide economic benefits to enhance local and state economies.

I am available to answer your questions. Thank you.

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**HB1003**
House Appropriations Committee
January 5, 2023
Mark Hagerott, Chancellor, NDUS
701.328.2963 | mark.hagerott@ndus.edu

Chair Vigesaa and Committee Members: My name is Mark Hagerott, and I am the Chancellor of the North Dakota University System. I am here to provide testimony on House Bill 1003. As stated earlier by State Board of Higher Education Vice Chair Tim Mihalick, the Board has expressed significant support for a needs-based budget to fund higher education in North Dakota, which will provide stability for students, faculty, and staff in a time of a historic economic and workforce pressures, and also provide the foundation for continued innovation and transformation.

Our public system of higher education includes 11 colleges and universities spread throughout the state that offer a full spectrum of learning ranging from trades and technical education through advanced scholarship and cutting-edge research. Our campuses have a proud history of working closely with business and industry to best identify changing community and workforce needs, and offering nearly 45,000 students the programs they want, where and when they need them.

The North Dakota University System is governed by the State Board of Higher Education, whose eight voting members are appointed by the Senate. The system was organized in 1990 and includes two research universities, four regional universities and five community colleges. The mission of the State Board of Higher Education and my office is to unleash the potential of higher education in the state to enhance the quality of life, and the social and economic vitality of all served by its public colleges and universities.

That mission is supported by a framework of six strategic goals, which the board regularly reviews and receives updates on the progress of each. Those goals include optimizing student affordability while maintaining campus financial health; providing access to programs people want, where and when they need them; preparing students for success; maximizing the strengths of a unified system; research excellence and innovation; and workforce development. Each goal comes with several objectives, outcomes, and metrics, which are used to track progress via the NDUS Dashboards.

Each institution has a distinct mission and transformative priorities. The current priorities for each institution are provided at the end of this testimony. Despite their individual distinctions, they all fall under the same overarching themes:

1. Workforce development was identified by the state board two years ago as the newest strategic goal to pursue. To that end, the board regularly approves, modifies, and discontinues programs of study in direct response to changing student and workforce needs. As just one example, the campuses now offer an expansive collection of program

certifications, in addition to the standard two-year and four-year degrees programs. To this end, the university system serves to train and retrain new and returning students based on their changing needs.

2. Diversification of the economy continues to be a priority for the university system, whether that goal is reached through identification and partnership with emerging industries, or the continued adaptation to the digitization of our world. That is why our 11 public institutions, the System Office, and CTS all continue to focus on innovation and transformation. The ability to be agile and responsive gives students the opportunity to find more success while concurrently creating an economic impact that totaled **$2.68** billion during the **2021 fiscal year**.
3. An all-of-the-above approach to higher education. It's not only vital to create a technically oriented workforce, but also to take care of the "caring economy" of people. To that end, we continue to support programs that help educate the nurses, teachers, and police officers of tomorrow. Having such a diverse outlook from an academic and technical education programming perspective will help all students have a more well-rounded education that will aid them in becoming good citizens during divisive times.

To achieve these goals for the state and the system, we've identified the following priorities in the 2023-25 NDUS budget request:

- Support for a NDUS budget stabilization fund and a permanent research funding stream.
- 96%minimum amount payable. *Additional request:* Consider increasing the minimum to 98-99% for the 2023-25 biennium.
- Support for the Governors compensation package of six-and-four-percent salary adjustments, equity adjustments and continued state coverage of health insurance increases for faculty and staff. *Additional request:* General fund dollars to cover salary increases from other funds.
- NDUS looks forward to working with the Legislative Assembly to address 2021-23 inflation as part of a statewide plan. *Request:* Consider an increase in the funding formula per credit hour rate for NDUS institutions.
- Workforce Education Innovation Grant Program.

The state, our system, and our workforce continue to face new challenges and unprecedented change. As you know, change brings with it an equally unprecedented opportunity for the state and our public higher education system to become leaders within emerging industries. The NDUS is well positioned to take on these challenges to provide North Dakota's future workforce and leaders.

Thank you.

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# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

State Board of Higher Education Vice Chair

Tim Mihalick

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# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

NDUS Chancellor

Mark R. Hagerott, Ph.D.

# NDUS 101

11 public institutions

- Five community colleges
- Four regional universities
- Two research institutions

Core Technology Services

System Office

## Statewide Collaborative System

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# What We Do

Workforce
- Attract
- Train
- Re-Train
- Customized Training

Diversify the economy
- New Industries
- Adapt to innovation

Local Economic Engines (multiplier effect)

## Build Workforce and Help Support Economic Vitality

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# What We Do

Take care of people

- Nurses
- Teachers
- Social Workers
- Police/First Responders

Create good citizens

- Era of censoring of campus research, teaching, and student groups

## Create the "Caring" Workforce and Support Community Vitality

Majority of NDUS grads enter the ND workforce and stay in the state

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# How We Serve the State

- Adaptable campuses, responsive to local economy and community
- Collaborative System of Transfer and Shared Courses (e.g., 2+2)
- Shared Services where it makes sense (Learning software, cybersecurity)

Hundreds of academic programs (2 yr to Ph.D)

Hundreds of certificates

Delivery: Face-to-Face, Online, and Hybrid

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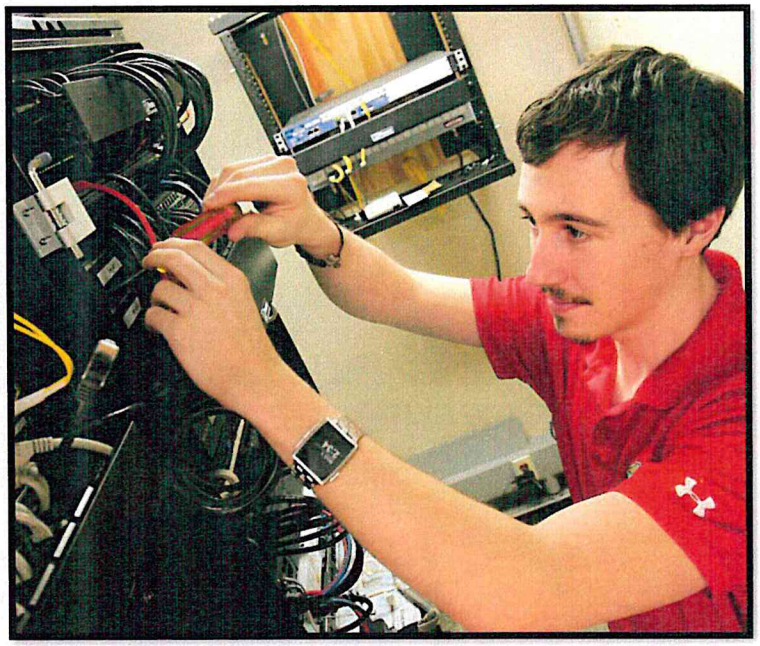
# Supporting Legislative and Executive Branch Efforts

- Workforce is Job One...43,500 students in workforce pipeline
- Attract 13,000 'out-of-state' students, all potential ND workers (and families)
- TrainND customized training
- Senior and community enrichment opportunities
- College for Kids – dual credit to high school students
- Community Vitality thru recreation and entertainment (theater, music, rodeos, and athletics)
- Support Tribal Colleges, underserved Rural Areas (e.g., DDA, online)

# Summary of Campus Priorities

- Support for Workforce Development Mission (emphasis on healthcare, agriculture, engineering)
- Research & Innovation Competitiveness with other states
- Behavioral Health of our young people
- Funding Formula Adjustments
- Compensation/Equity Gaps
- Past Inflation Impacts of 2021-2022



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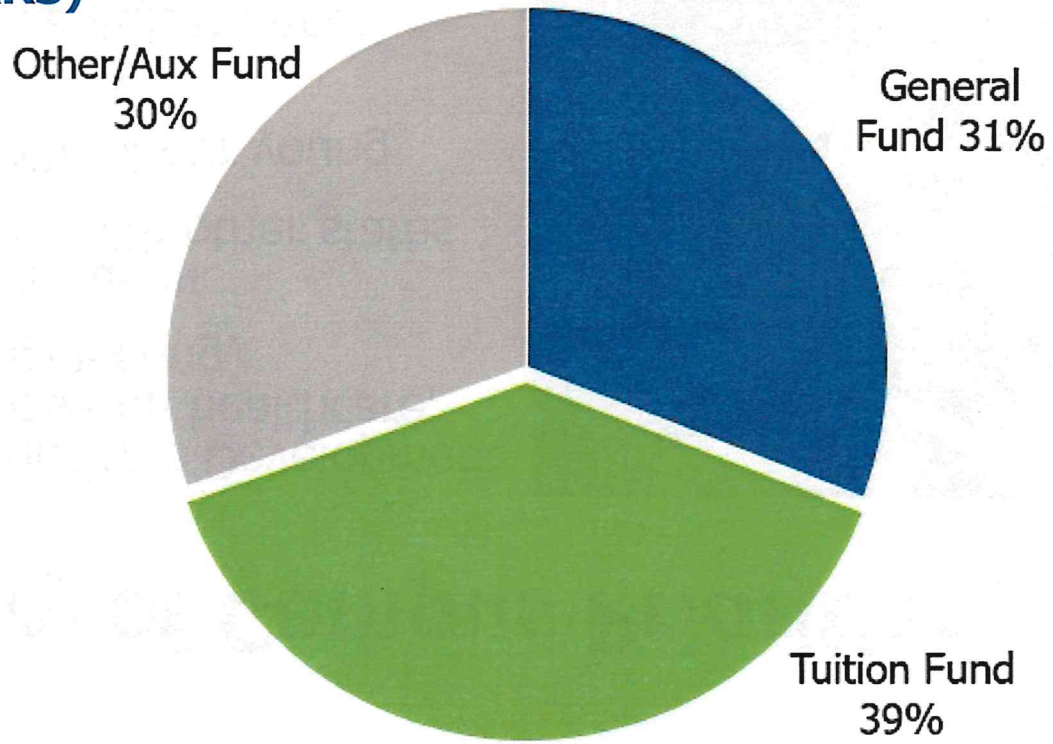
# Salary Funding Sources: families carry a heavy load (over 1/3 on average)

**(2021-23 IBARS)**

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# Compensation After Past Inflation

**6 and 4-percent salary increases would have positive impacts on the workforce**

| Retain staff and faculty | Attract Talent | Lift Morale |
|---|---|---|

**Student-funded positions would not be supported by a 6 and 4 increase**

**Failure to address past inflation could negatively impact state workforce**

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# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

North Dakota Student Association President

Christopher Scott

# ND Student Association

- Keep tuition affordable to students
- Behavioral Health Initiative ($3.6 million proposed)
- Support Scholarships and Initiative that make college more affordable to students

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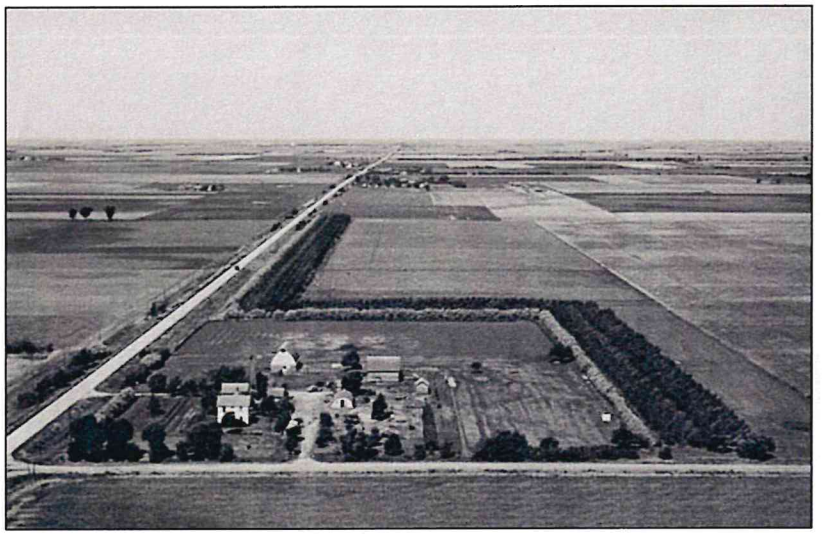
# Stabilizing Workforce, Communities, and Economy... our Grandparents challenge...



*Photos courtesy of Okla. Historical Society, U.S. Forest Service, and the N.C. Forest History Society.*

Our Challenge Today: Stabilize Training & Education to Flourish in a modern Economy and reduce out-of-state poaching. How?

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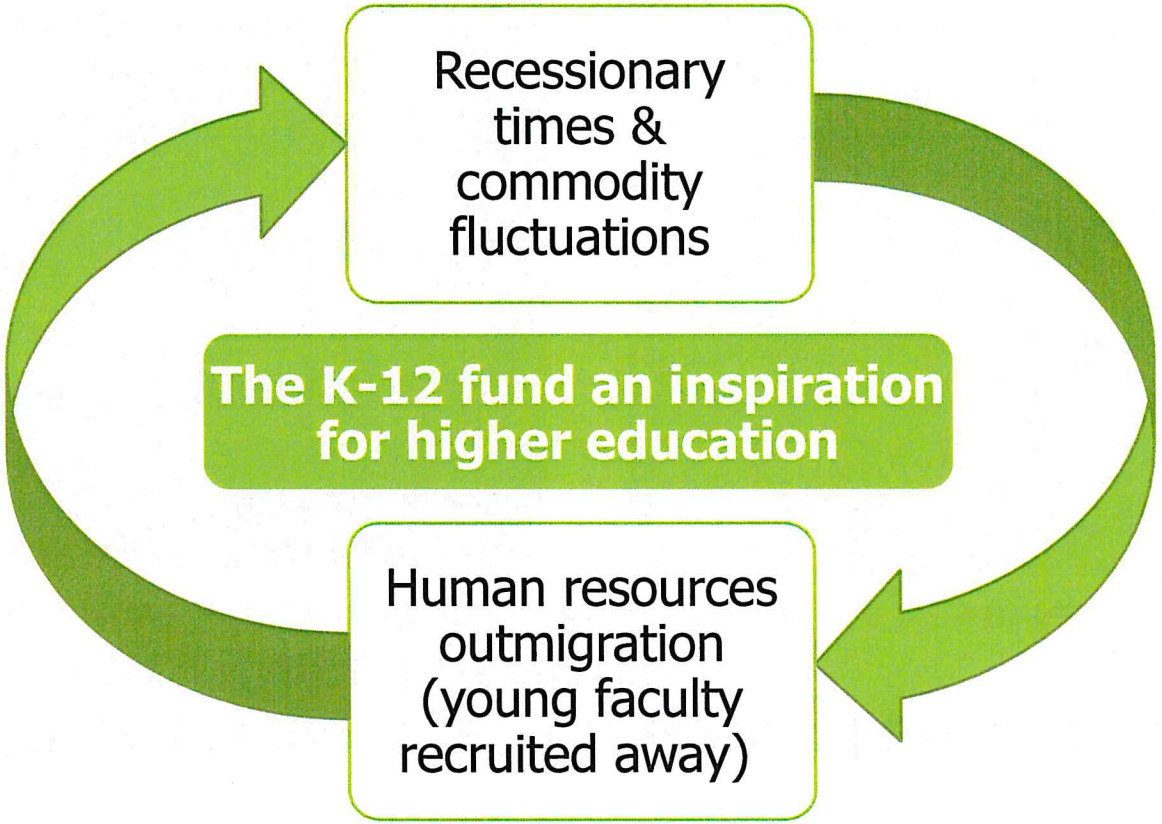
# Stabilizing the Education of our People in a Commodity-Centric Economy during Unstable times

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# Restore Wise Legislative Precedent: Funding *Circuit Breaker* of Performance-Based Formula

(note: 2021 Legislative Interim Committee Recommendation was to restore)

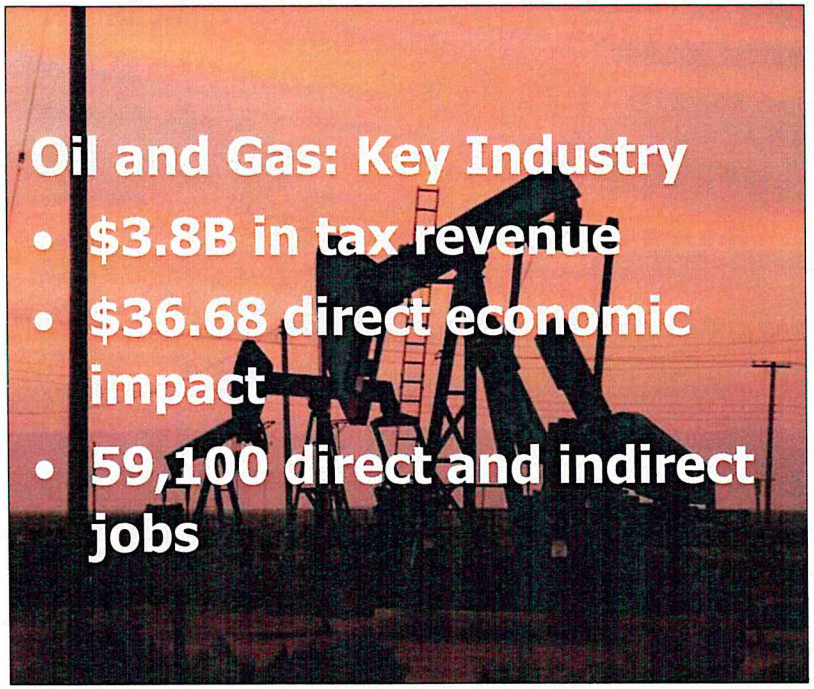
**Funding Formula**

- Established 10 years ago
- A performance-based model
- Uses student credit hours to establish campus funding
- More details later

**Restore minimum amount payable (circuit breaker)**

- Slows funding decreases if credit production drops
- Provides time to plan/ reduce operational costs
- Provides time for enrollment strategy & program adjustment to stabilize or increase credit production

# Responding to Energy Workforce Shortages: Oil & Gas Scholarships (pilot program)




- **Recruit** and train individuals to work in the ND energy industry
- **Retain** current energy workers to keep them in state with ND-funded scholarships that can **Re-Train**, or up-skill for ANY industry later
- **Build a Reserve** or 'bullpen' of workers ready to step into energy sector jobs as they become available
- **Inspiration: Military GI Bill**

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# Accelerate Adaption to Changing Economy *Workforce Education Innovation Fund*

- Start-up funds to establish innovative high-demand programs to meet workforce needs
- Provides curriculum development, purchase of equipment and technology to train or certify new and existing instructors
- Promote programs to respond to workforce needs of the state

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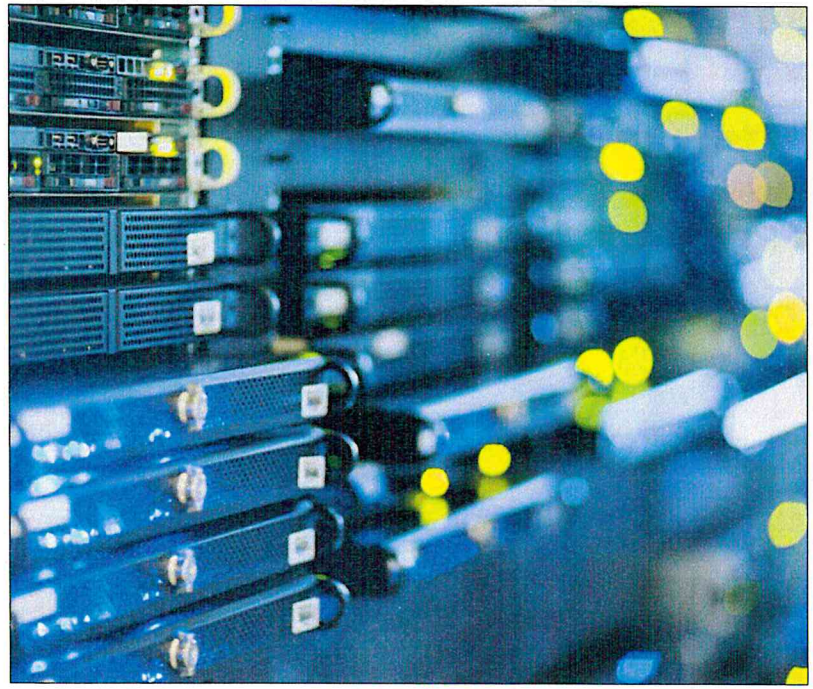
# Respond to Digitization



- North Dakota's Own Big Data: State Longitudinal Data System
- Statewide Digital Program: Dakota Digital Academy
- Network security efficiencies by working systematically
- Digital Literacy: A general education requirement of all students (we need help with this)

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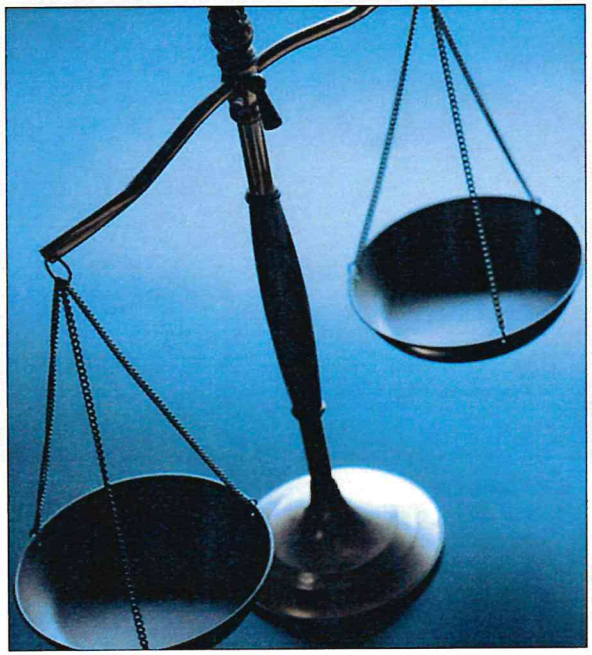
# Maintain High Quality NDUS Staff/Faculty after Years of Reductions



## Focused on Efficiencies with Huge Savings

- Belt tightening past 3 Legislative Sessions
- NDUS staffing, **Reduced 800 FTEs** since 2017
- Greater Staff/Faculty Reductions than 16 other Western States (WICHE) from 2015-21

## Urgent now to Attract and Retain talent

- Out-of-state universities are poaching our talent
- Other states call NDUS the "candy jar" of talent
- Need for competitive pay and stability in future

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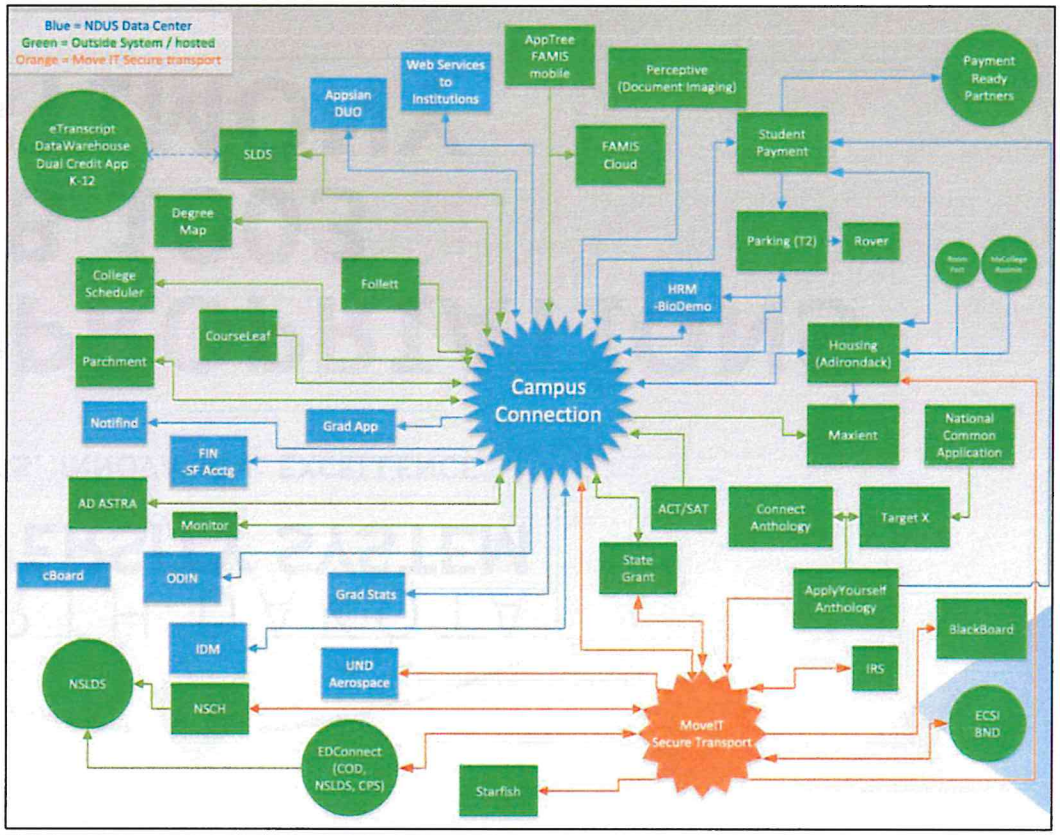
# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

Vice Chancellor for Information Technology / CIO

Darin King

# Consolidated, Resilient IT systems

- Student Information System
- Financial System
- HR System
- Security Operations Center
- Ancillary Systems



# IT Challenges and Considerations

**Software costs have increased 23% since 2015**

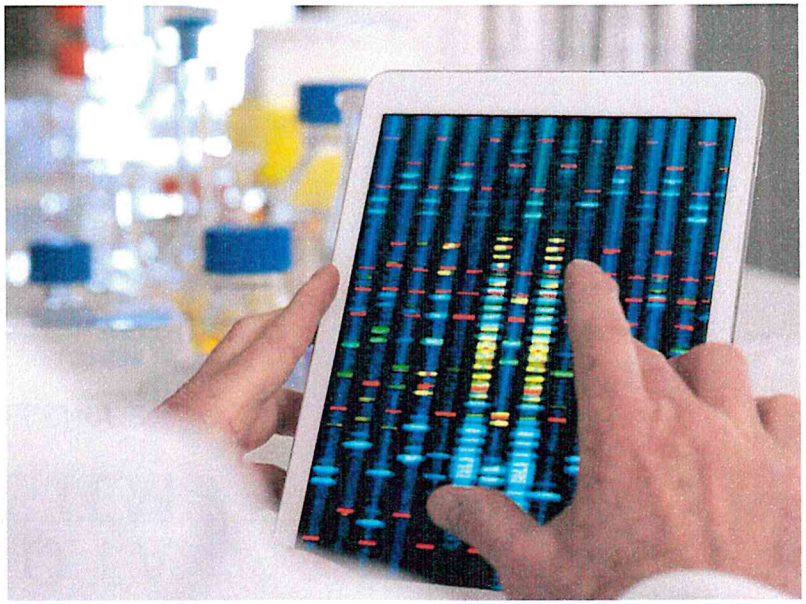
- requesting $3M adjustment to base general fund appropriation

**Continue to Strengthen Cybersecurity**

- NDIT Advanced endpoint $1,000,000
- Advanced email security, $400,000
- 2 FTEs, $400,000

**NDUS Longitudinal Data System in our state/Data Warehouse**

- Tied to NDIT NDSLDS request, $2,000,000



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# HOUSE APPROPRIATIONS
# HB 1003
# TESTIMONY

Vice Chancellor for Academic and Student Affairs

Lisa A. Johnson

# Strength of NDUS Enrollment

- NDUS 2022 enrollment up; contrast 3% decline in national enrollment
- Seamless transfer and campus collaboration
- Future growth: dual credit, ND high school graduates, & returning adults

# Critical to Fulfilling Workforce Needs

- Certificate Programs – relevant, stackable, flexible
- 13,000 in-person, out-of-state enrollments
- 10,000+ graduates each year: majority in high need areas education, healthcare, and business

# Paying for College

- Academic and CTE Scholarships
- ND Career Builders Scholarship and Loan Repayment
- Dual Credit Tuition Scholarship

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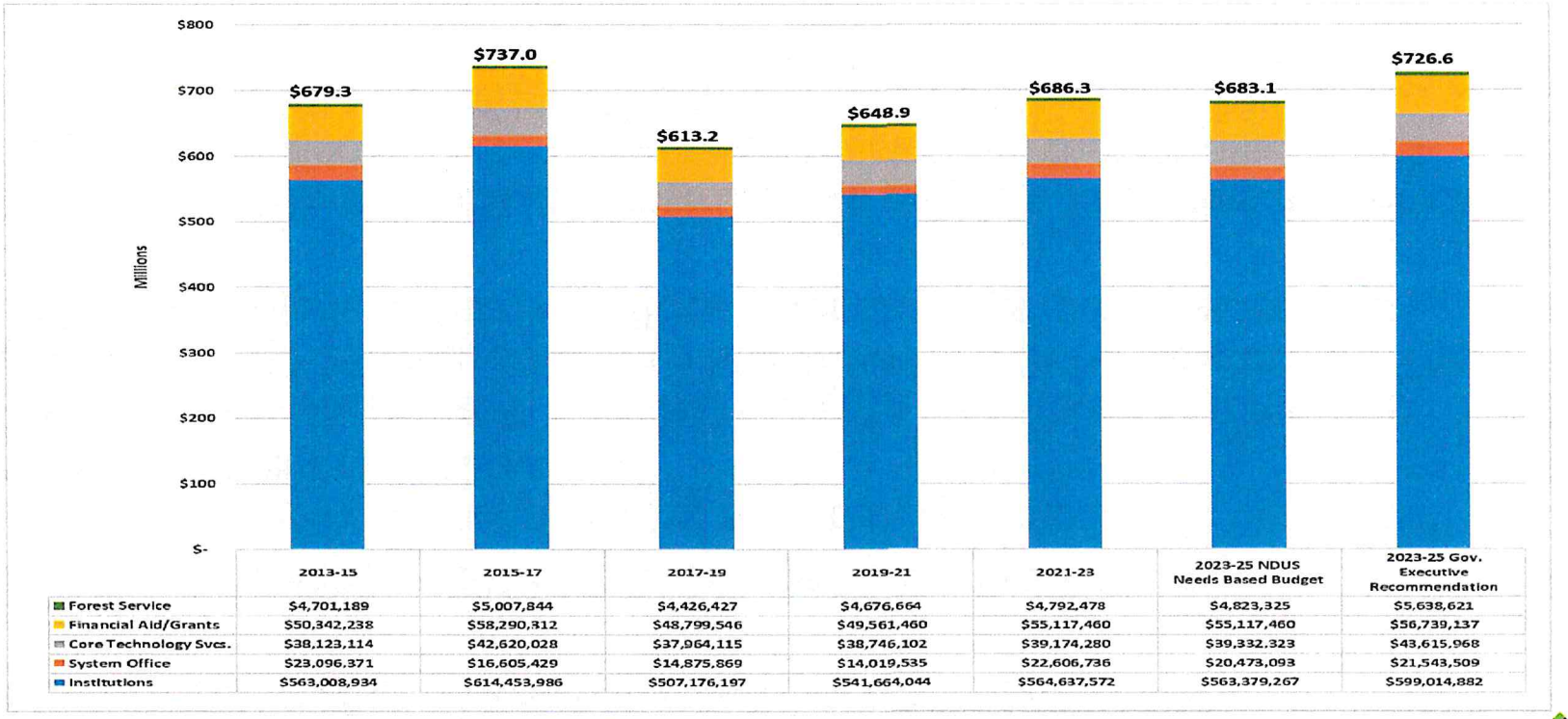
# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

Vice Chancellor for Administrative Affairs / CFO

David Krebsbach

# NDUS State General Fund Appropriations: Only 1% Growth Since 2013-15 Biennium




| | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 NDUS Needs Based Budget | 2023-25 Gov. Executive Recommendation |
|---|---|---|---|---|---|---|---|
| Forest Service | $4,701,189 | $5,007,844 | $4,426,427 | $4,676,664 | $4,792,478 | $4,823,325 | $5,638,621 |
| Financial Aid/Grants | $50,342,238 | $58,290,812 | $48,799,546 | $49,561,460 | $55,117,460 | $55,117,460 | $56,739,137 |
| Core Technology Svcs. | $38,123,114 | $42,620,028 | $37,964,115 | $38,746,102 | $39,174,280 | $39,332,323 | $43,615,968 |
| System Office | $23,096,371 | $16,605,429 | $14,875,869 | $14,019,535 | $22,606,736 | $20,473,093 | $21,543,509 |
| Institutions | $563,008,934 | $614,453,986 | $507,176,197 | $541,664,044 | $564,637,572 | $563,379,267 | $599,014,882 |

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# Performance-Based Funding Formula

- Established during the 2013 North Dakota Legislative Assembly.
- Cost-based funding model providing a fixed dollar amount per completed adjusted student credit hour.
- Student Credit Hours (SCH) used are from the most recently completed biennium (2023-25 calculation uses SCH from the 2019-21 biennium). This performance model rewards institutions for students' progress towards completion.
- Completed SCH's are applied to instructional program factor weights which are then multiplied by a credit completion factor and then to a per credit dollar amount established in statute.

| 2021 Credit Completion Factors | | | |
|---|---|---|---|
| Completed SCH | Factor | Completed SCH | Factor |
| < 30,000 | 1.80 | 120,000 - 129,999 | 1.20 |
| 30,000 - 39,999 | 1.70 | 130,000 - 134,999 | 1.15 |
| 40,000 - 49,999 | 1.60 | 135,000 - 179,999 | 1.10 |
| 50,000 - 59,999 | 1.50 | 180,000 - 239,999 | 1.05 |
| 60,000 - 69,999 | 1.40 | 240,000 + | 1.00 |
| 70,000 - 119,999 | 1.30 | | |

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# Performance-Based Funding Formula (Continued)

- 2021 Legislature implemented changes to establish the current factor as the new base. Credits above the base receive a 1.0 weighting factor.
- Two-year colleges paid at regional university rate for upper division SCH (polytechnic).
- Regional universities paid at two-year college rate for lower division CTE credits (dual mission).
- Capital investments are appropriated separately. The Legislative Assembly can appropriate additional amounts as necessary.

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# Higher Education Funding Formula (Continued)

| Institution | 2019-21 Completed SCH | 2019-21 Weighted SCH | WSCH Base Factor | Historical Base Factor | WSCH Growth Factor | Credit Growth Factor | 2019-21 Adjusted SCH | 2021-23 Base Per Credit Hour | Adjustments | Prelim 2023-25 Base | 2021-23 Base | 2023-25 Base Incr/Decr | 2023-25 Base % Incr/Decr |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 288,369 | 288,369 | 1.10 | 0 | 1.00 | 317,206 | $98.84 | ($101,618) | $31,251,023 | $32,084,055 | ($833,032) | -2.60% |
| DCB | 31,746 | 56,796 | 55,050 | 1.80 | 1746 | 1.00 | 100,836 | $98.84 | $0 | $9,966,630 | $9,537,862 | $428,768 | 4.50% |
| LRSC | 54,480 | 88,253 | 88,253 | 1.50 | 0 | 1.00 | 132,380 | $98.84 | $0 | $13,084,439 | $14,242,152 | ($1,157,713) | -8.13% |
| NDSCS | 106,401 | 246,809 | 246,809 | 1.30 | 0 | 1.00 | 320,852 | $98.84 | $0 | $31,713,012 | $35,714,792 | ($4,001,780) | -11.20% |
| WSC | 37,801 | 67,990 | 67,990 | 1.70 | 0 | 1.00 | 115,583 | $98.84 | $0 | $11,424,224 | $11,286,737 | $137,487 | 1.22% |
| DSU | 60,000 | 152,927 | 152,927 | 1.50 | 0 | 1.00 | 229,391 | $92.60 | $0 | $21,241,607 | $20,242,730 | $998,877 | 4.93% |
| MASU | 47,249 | 130,703 | 130,703 | 1.60 | 0 | 1.00 | 209,125 | $92.60 | $0 | $19,364,975 | $18,679,828 | $685,147 | 3.67% |
| MISU | 128,850 | 382,912 | 382,912 | 1.20 | 0 | 1.00 | 459,494 | $92.60 | $0 | $42,549,144 | $41,206,630 | $1,342,514 | 3.26% |
| VCSU | 67,531 | 179,920 | 172,389 | 1.50 | 7531 | 1.00 | 266,115 | $92.60 | $0 | $24,642,249 | $24,161,377 | $480,872 | 1.99% |
| NDSU | 629,828 | 2,116,803 | 2,116,803 | 1.00 | 0 | 1.00 | 2,116,803 | $61.81 | $0 | $130,839,593 | $138,431,325 | ($7,591,732) | -5.48% |
| UND | 630,113 | 3,375,173 | 3,375,173 | 1.00 | 0 | 1.00 | 3,375,173 | $61.81 | $0 | $208,619,443 | $208,373,934 | $245,509 | 0.12% |
| Totals | 1,933,376 | 7,086,655 | | | | | 7,642,958 | | | $544,696,339 | $553,961,422 | ($9,265,083) | -1.67% |

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# 2023-25 Base General Fund Budget Request

| North Dakota University System | | | |
|---|---|---|---|
| **2023-25 Needs-Based Budget Request Comparison to Executive Recommendation** | | | |
| **Base Budget - Needs-Based** | **Total NDUS Request** | **Executive Recommendation** | **Variance from NDUS Request** |
| | **General Fund** | **General Fund** | **General Fund** |
| **2021-23 Needs-Based Budget** | $ 686,328,526 | $ 686,328,526 | $0 |
| Cost to Continue Salaries | 3,033,698 | 3,033,698 | 0 |
| State Bond Payments | (2,187,368) | (2,187,368) | 0 |
| Funding Formula - SCH Production Changes | (9,265,083) | (9,265,083) | 0 |
| Funding Formula - Minimum Amount Payable | 5,215,694 | 5,215,694 | 0 |
| Compensation Package(6%-1st yr./4%-2nd yr & State paid Health Ins.) | 0 | 38,501,167 | 38,501,167 |
| Other program base increases | 0 | 4,925,482 | 4,925,482 |
| **2023-25 Needs-Based Budget** | **$ 683,125,467** | **$ 726,552,116** | **$ 43,426,649** |
| **Dollar Change from 2021-23 Base** | **$ (3,203,059)** | **$ 40,223,590** | |
| **Percentage Change from 2021-23 base** | **-0.5%** | **5.9%** | |

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# 2023-25 Optional General Fund Budget Requests

| Investments (General Fund Optional Adjustment Requests) | Total NDUS Request | Executive Recommendation | Variance from NDUS Request | |
|---|---|---|---|---|
| **Systemwide Projects / Initiatives** | | | | |
| Workforce Education Innovation Grant Program - one-time | $ 24,000,000 | $ 10,000,000 | ($14,000,000) | 1-time funds |
| Education Scholarships for Energy Workforce - one-time | 10,000,000 | 10,000,000 | 0 | 1-time Legacy Funds |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - base | 3,640,624 | 3,640,624 | 0 | 1-time NDUSO |
| Veterans Program - base | 177,000 | 177,000 | 0 | |
| Dakota Digital Academy - one-time | 450,000 | 450,000 | 0 | 1-time funds |
| Systemwide Marketing Program - one-time | 900,000 | - | (900,000) | |
| Forest Service - Cooperative Fire Protection Initiative - One-time | 187,000 | 187,000 | 0 | |
| Forest Service - Forest recreation enhancement - One-time | 200,000 | 200,000 | 0 | |
| **NDUSO - Student Grants** | | | | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 | 1,000,000 | 0 | |
| Financial Aid Systems - Licensing & Maintenance($1,554,354 implementation - One-time; $273,180 annual cost - Base) | 1,827,534 | 1,827,534 | 0 | 1-time $1.55M |
| **NDUSO - System Security & Research** | | | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations Center - Base | 4,800,000 | 2,500,000 | (2,300,000) | |
| CTS - $2M Data Warehouse and Predictive Analytics | 2,000,000 | 0 | (2,000,000) | Included in NDIT |
| Assistant Vice Chancellor - Research and Workforce - Base | 425,000 | 0 | (425,000) | |
| **Investments (Optional Adjustment Requests)** | **$ 49,607,158** | **$ 29,982,158** | **$ (19,625,000)** | |

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# 2023-25 Optional General Fund Budget Requests

| Other NDUS Executive Recommended State Funded Programs | | | |
|---|---|---|---|
| Native American Scholarship | $ | 444,677 | Increased to $1M GF |
| Capital Building funds | | 19,000,000 | SIIF |
| Challenge Grant | | 50,000,000 | Legacy Funds |
| Capitol Building Rent | | 143,625 | General Funds |

| NDUS Executive Recommended State Funded Capital Projects | | | |
|---|---|---|---|
| LRSC - Gearbox for Wind Turbine | $ | 600,000 | SIIF-$480k; $120k Local fund match |
| DSU - Ag Building Renovation | | 900,000 | SIIF-$900k- Planning and design. |
| MaSU - Old Main Renovation | | 3,779,100 | SIIF- $3.8M- Planning and design |
| MiSU - Dakota Residence Hall Demolition | | 765,000 | SIIF-$765k |
| DCB - Old Main/Center for Rural Health | | 3,700,000 | SIIF-$3.7M |
| **NDUS Executive Recommended Special Funded Capital Projects** | | | |
| UND - EERC AMPF & Elec. Dist. | $ | 33,000,000 | Special fund authority |
| NDSU - Music Building Addition | | 20,000,000 | Special fund authority |
| NDSU - Sudro Hall Small Animal Research Facility | | 3,000,000 | Special fund authority |
| VCSU - Osmon Field House Athletic Addition | | 20,000,000 | Special fund authority |
| VCSU - Student Center Renovation | | 2,000,000 | Special fund authority |

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# Capital Budget

# 2023-25 Investment Opportunities – Capital Funding Request

- $291 million Total Request
  - $236.5 million general fund
  - $54.5 million non-general fund
- Highest priority general fund project at each institution prioritized by:
  - % life safety & deferred maintenance
  - % of local funding
  - Projects address life/health/safety issues, deferred maintenance, and program driven needs. $188.3 million in combined deferred maintenance and life/health/safety issues

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# 2023-25 Investment Opportunities – Capital Funding Request

**CAPITAL PROJECT REQUEST RECOMMENDATION**
**(DM-Deferred Maintenance; LS- Life Safety; PED- Program & Enrollment Driven)**

| Institution | Institution Priority | SBHE Priority | Project Title | Project Total | Funding Source | | Project Type | % DM/LS | % PED | % Local $ | Amount DM/LS $ |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | General Funds | Other Funds | | | | | |
| DCB | 1 | 1 | Old Main/Center for Rural Health Education | $1,375,000 | $1,375,000 | | Major renovation to existing facility. | 100% | | 0.00% | $1,375,000.00 |
| LRSC | 1 | 1 | Wind Turbine Gearbox Replacement | $600,000 | $600,000 | | Equipment repair. | 100% | | 0.00% | $600,000.00 |
| MaSU | 1 | 1 | Old Main Renovation | $49,970,100 | $49,970,100 | | Major renovation to existing facility. | 100% | | 0.00% | $49,970,100 |
| MiSU | 1 | 1 | Dakota Residence Hall Demolition | $765,000 | $765,000 | | Removal of facility | 100% | | 0.00% | $765,000.00 |
| DSU | 1 | 2 | Agriculture & Technical Education Building | $12,500,000 | $9,100,000 | $3,400,000 | Major renovation to existing facility. | 90% | 10% | 33.33% | $11,250.00 |
| NDSU | 1 | 3 | Engineering Building | $111,600,000 | $83,700,000 | $27,900,000 | New construction with major renovation to existing facility | 85% | 15% | 25.00% | $94,860,000.00 |
| VCSU | 1 | 4 | McCarthy Hall Renovation | $13,439,000 | $11,439,000 | $2,000,000 | Major renovation to existing facility. | 60% | 40% | 23.57% | $8,063,400.00 |
| UND | 1 | 5 | Science, Engineering, & National Security Corridor Planning & Demolition | $14,500,000 | $11,600,000 | $2,900,000 | Renovation, removal, and planning | 51% | 49% | 20.00% | $7,395,000,000 |
| BSC | 1 | 6 | Multipurpose Academic/Athletic Performance Center | $31,500,000 | $25,000,000 | $6,500,000 | New construction with demolition of existing facility. | 30% | 70% | 22.81% | $9,450,000.00 |
| NDSCS | 1 | 7 | Agriculture, Automation & Autonomous Systems | $18,171,405 | $16,354,264 | $1,817,141 | Major renovation to existing facilities and new construction. | 25% | 75% | 10.00% | $4,542,851 |
| WSC | 1 | 8 | Medical Healthcare Building | $36,600,000 | $26,600,000 | $10,000,000 | New Construction | | 100% | 27.32% | $0.00 |
| | | | **State General Fund Projects** | **$291,020,505.** | **$236,503,364** | **$54,517,141** | | | | | **$188,271,351** |

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# 2023-25 Investment Opportunities – Capital Funding Request – non-General Fund Projects (unranked)

| INSTITUTION | PROJECT | COST | SOURCE OF FUNDS |
|---|---|---|---|
| NDSU | MUSIC BUILDING | $20,000,000 | DONATIONS |
| NDSU | SUDRO SMALL ANIMAL LAB | $3,000,000 | GRANTS/OTHER |
| VCSU | OSMON FIELD HOUSE | $20,000,000 | DONATIONS |
| VCSU | STUDENT CENTER Renovation and Repair | $2,000,000 | DONATIONS |
| UND | EERC AMPF & ELEC. DIST. | $33,000,000 | $30M LEASE REVENUE BONDS<br>$3M LOCAL FUNDS |

NORTH DAKOTA UNIVERSITY SYSTEM
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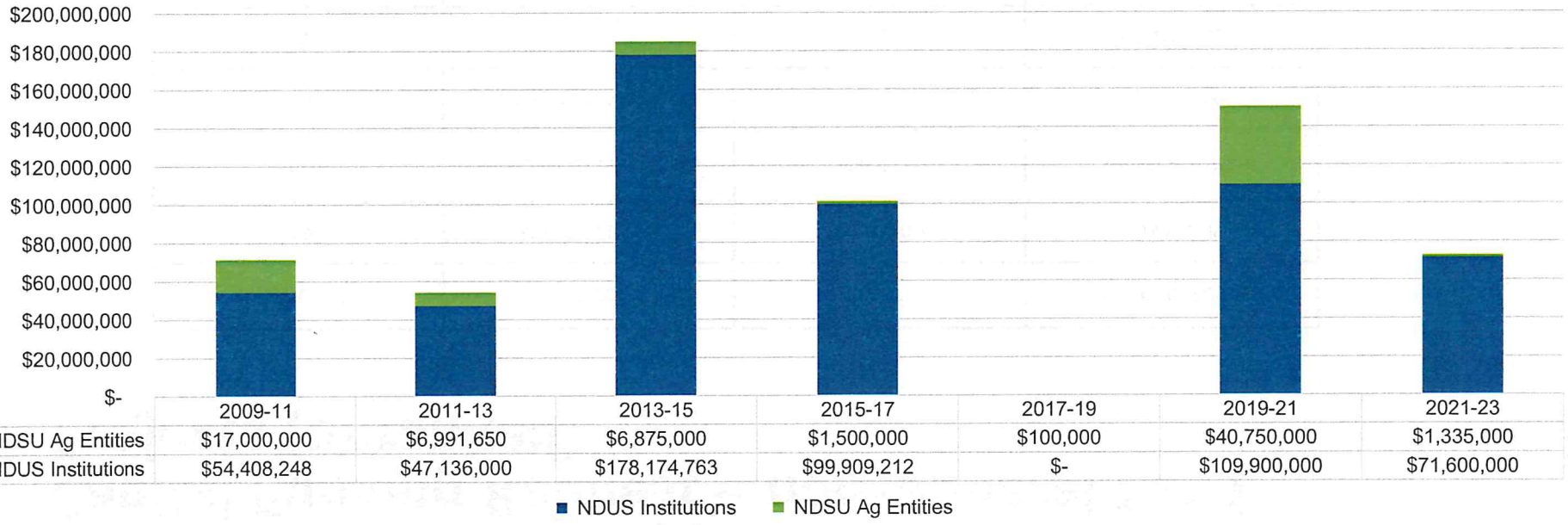
# Capital Project History – State Funded

**Capital Project Appropriations**
All NDUS insitutions and NDSU agriculture entities
Paid by State General Fund, Permanent Oil Trust Fund or State Bonds




| | 2009-11 | 2011-13 | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 |
|---|---|---|---|---|---|---|---|
| NDSU Ag Entities | $17,000,000 | $6,991,650 | $6,875,000 | $1,500,000 | $100,000 | $40,750,000 | $1,335,000 |
| NDUS Institutions | $54,408,248 | $47,136,000 | $178,174,763 | $99,909,212 | $- | $109,900,000 | $71,600,000 |

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# THANK YOU

BISMARCK
STATE COLLEGE

# CURRENT PRIORITIES

1. **BSC Armory non-compliance issues / need for educational spaces**
   As an extension of the Bismarck State College (BSC) polytechnic mission, a multi-purpose academic/athletic performance center is a proposed facility that addresses the BSC Armory's Life, Health and Safety issues and supports BSC's academic programs that resolve regional workforce needs. BSC and partners have identified four needs for the center:
   a. *Address the BSC Armory's Life, Health, and Safety and Non-Compliance Issues*
   b. *Workforce opportunities in exercise science, clinical exercise therapy, physical mobility, sports and movement science, coaching, strength and conditioning, athletics*
   c. *Support our communities at BSC, Bismarck-Mandan, and surrounding rural areas by providing a physical space and exceptional integrated services to pivot the decline of physical abilities, mental health, and general wellness*
   d. *A teaching and athletic facility that fosters healthcare academics, community wellness, and a compliant athletics space*

2. **Expansion of CDL Workforce training at BSC**
   The high-demand transportation sector in North Dakota is being negatively impacted by the lack of a CDL-trained workforce. BSC can positively impact industry needs by expanding its Commercial Driver's License (CDL) workforce training. In order to expand, BSC would need $1,540,000 in funding for additional program infrastructure:
   - Four tractor and trailer training vehicles
   - Two CDL training simulators
   - Four CDL-certified training instructors

DAKOTA COLLEGE AT BOTTINEAU

# CURRENT PRIORITIES

1. **The Center for Rural Healthcare Education Capital Project**
   Completing the transformation of the DCB Old Main facility into the Center for Rural Healthcare Education remains a top priority for the institution. This renovation project supports an expansion of the DCB nursing program to enhance our workforce, especially in rural ND. Other Allied Health programs and fields will also benefit from this investment.

2. **Faculty and Staff Support**
   Supporting the faculty and staff who work with our students every day is critical for us. Salaries have fallen behind, making it difficult to attract and retain talent throughout the institution. This situation has been exacerbated by recent inflationary pressures. Market adjustments and appropriations for the tuition portion of any modifications to salary and benefits packages would be strategic investments.

DICKINSON STATE UNIVERSITY

# CURRENT PRIORITIES

1. **Full funding of all compensation increases**
   - Raises and health insurance premium increases
   - 7.5% assistance with non-compensation portion of budget, where expenses have already skyrocketed

2. **Agriculture & Technical Education Building**
   - $16 million renovation proposal
     - $2.4 to be fundraised by DSU
     - $13.6 state support requested

Lake Region State College

# CURRENT PRIORITIES

1. **Wind Turbine Gearbox Replacement**
   - In May of 2022, the main gearbox on LRSC's GE 1.6 wind turbine failed. The turbine is a major instructional component the delivery of the Wind Energy Technician degree program. This is our first major component failure in the ten years the turbine has been in operation. Cost estimate to bring in a crane and replace the gearbox $600,000. It costs LRSC approximately $1000/day that the turbine isn't running in lost revenue and additional expense buying power. The legislature provided $2.7 million towards the purchase and installation of the turbine and we used an energy performance contract to secure the rest of the funding. The campus utilizes the power generated by the turbine and the excess is sold to generate revenue to pay off the energy performance contract. There are 5 years remaining on the contract.
   - $600,000 replacement gearbox
   - $180,000 lost revenue and power purchase

2. **Parking Lot, Road & Sidewalk Repair**
   - Received approval to start the work 21-23 biennium-no funding ($250,000)
   - Operating budget not able to handle project
   - Did not make the top-ten SBHE projects
   - New Cost $504,000
     - Asphalt (Milling, Overlay and Patching) 15,000 SY $412,500
     - Curb and Gutter (remove and replace) 950 LF $76,800
     - Sidewalk (remove and replace) 2100 SF $14,700

Mayville State University

# CURRENT PRIORITIES

1. **Old Main Renovation Capital Project**
   - This project is extremely important for the life safety of our students, faculty, and staff.
   - Will address the most significant deferred maintenance on campus.
   - Will address life safety concerns including replacing fire alarms, adding emergency notification system, and new or enhanced automatic fire suppression system.
   - Will reorganize administrative/faculty areas to meet current/future needs.
   - Will reconfigure interior stairway access to address fire safety concerns.
   - Will provide new technology, data, communication systems, and infrastructure.
   - Will address ADA compliance with accessible restrooms, elevator to all levels, staircase for egress from theatre, and house new mechanical systems and equipment.
   - Will address renovation of Theatre.

2. **Responsibility and Needs**

   Over the last several years, Mayville State University addressed difficult budget reductions and a critical financial status through realignments and improved efficiencies. In doing so, it raised the CFI (Composite Financial Index) score from .4 to 3.92 in addition to maintaining its current bond rating and restoring appropriate reserve levels. To protect our workforce retention efforts, we request that all benefitted positions be funded for pay increases at 6% and 4%, which include health and other benefits, and cost increases.
   - Specific examples of cost increases include food costs at 39% and utility costs at 42%.
   - This funding request will improve our ability to attract and retain qualified employees to produce North Dakota workforce.

Minot State UNIVERSITY

## CURRENT PRIORITIES

1. **Nurturing enrollment growth while focusing on key academic programming aligned with North Dakota's workforce needs**:
   Focusing growth in student recruitment to support areas where MiSU has added new academic programs such as Cybersecurity Operations, Entrepreneurship, and Exercise Science & Rehabilitation. Additionally, to maintain growth in traditional campus strengths such as Nursing, Education, Social Work, Accounting, Biology, Speech Language Pathology, Criminal Justice, Management, Corporate Fitness, Finance, and Computer Science.

2. **Supporting MiSU's human capital and talent throughout our faculty, staff, and administration**:
   Addressing the inflationary impacts and other human resource concerns currently impacting MiSU's ability to attract and retain human talent to educate and serve our students. This issue is reaching a tipping point with certain key positions and academic fields across campus.

# CURRENT PRIORITIES

1. **Funding Formula**
   Working with Legislators to modify how CTE credits are paid within the funding formula.

2. **Precision Ag capital project request**
   This is an $18M project that will provide our Precision Ag program(s) the resources they need to grow. Enrollment has doubled in the past several years, and we are out of space. We need the room for the new equipment, labs, and higher enrollment.

# CURRENT PRIORITIES

1. **Budget Hold Harmless**
   NDSU continues to strongly support the higher education funding formula but because of enrollment declines, NDSU is budgeted to receive a significant reduction in funding in the next biennium. NDSU requests that the floor for funding reductions be reinstated (it was removed during in the last biennium) with a new hold harmless rate at 0%. Reducing NDSU's budget loss allows it more time for strategic planning and efficient reduction of operating costs. Reinstatement of the funding formula floor is also a priority of the NDUS, and the governor's budget proposal reinstated it at 4%.

2. **Engineering Project**
   NDSU seeks to meet North Dakota's workforce needs by recruiting and educating future generations of leaders in engineering, innovation and entrepreneurship. Existing facilities are inadequate to meet the current and future workforce demands of the state. A new facility would combine engineering, precision agriculture, energy stewardship, computer science/cybersecurity/AI and entrepreneurship with state-of-the-art teaching and research tools. This has been a capital project priority for NDSU since 2014. The total project estimated cost is $111,600,000 with $27,900,000 (25%) privately funded.

# CURRENT PRIORITIES

1. **McCarthy Hall School of Education Renovation - $11.4 Million**
   - North Dakota has a critical shortage of teachers in all K-12 content areas. VCSU leads the state in teacher preparation. 1,514 educators in 151 North Dakota communities are VCSU alumni.
   - VCSU is committed to bringing our nationally-recognized School of Education and Graduate Studies under the same roof in McCarthy Hall. Classrooms and lab spaces will be designed with flexible seating and updated technology which would be similar to what students will encounter in real-world school environments. The layout will also incorporate a large student workroom, curriculum library, and numerous study spaces.
   - VCSU will contribute $2 million in private donations to this project. This will also eliminate more than $8 million in deferred maintenance.

2. **Behavioral Health Initiative - $236,000**
   - During the past two academic years, our students have had an increased wait time to be seen by behavioral health staff due to increased numbers seeking services as well as difficulties in filling an open counselor position.
   - This initiative supports a mental health provider (1 FTE) and professional development trainings to help VCSU meet the behavioral health needs of its students.

UND UNIVERSITY OF NORTH DAKOTA

# CURRENT PRIORITIES

1. **Funding Formula adjustment to fully cover proposed equity pool, salary and benefits increase**

   The increase in salary (6%/4%) and benefits proposed by the governor and supported by the NDUS are a critical component in recruiting and retaining key talent– Merit pay, health care premiums, and pay equity adjustments are covered only for the state share of appropriated funds. However, a significant portion of these expenses must be covered by students through tuition, fees, and room & board rate increases. Given the inflationary impacts on families and students, UND supports the NDUS request that the tuition portion of these increases be funded through the formula as well. In addition, UND supports the School of Medicine's request to increase the Healthcare Workforce Initiative (HWI) funding to cover any salary and benefit increases funded under this separate appropriation.

2. **Inflation adjustment to the funding formula**

   The rate at which higher ed is funded (currently $61.81 per credit) is below the level at which the funding formula was adopted in 2014 ($66.35 per credit). Accounting for the recent period of unprecedented inflation is in order. The NDUS proposes a 7.5% increase in the funding formula to specifically account for the inflationary impacts on the operations of campuses.

WILLISTON 54 STATE COLLEGE

# CURRENT PRIORITIES

1. **Pay Increase, Inflationary Increase, and Health Premium Increase fully funded in General Fund**

   Any pay increases, inflationary increases, and/or healthcare premium increases optimally should be fully funded in the general fund as WSC doesn't have the monies in reserve to cover any part of these increases that aren't absorbed in general fund appropriations.

2. **Healthcare Training Facility (Capitol Project Request)**

   With the growth of Williston to become the sixth largest city in ND (34,000 pop.), and the movement in Williston to become a healthcare hub of the region, there is the need to be expand healthcare training in the region. WSC is asking for $26.6 million in state appropriations, while bringing $10 million (27.3% of total cost) to the project in private donations, to build a healthcare training center on the WSC Campus. The center would expand WSC healthcare programs, while also bringing four-year completion programs to the region from the other six, four-year universities in the NDUS. The project has support from every regional healthcare provider in northwest ND and eastern MT. It would meet Governor Burgum's desire to expand workforce training in the State of ND by providing the trained healthcare workforce needed for northwest ND to continue its growth and the important healthcare services needed to serve such growth.

Theodore Roosevelt EXPRESSWAY

Chairman, Vingesaa
Members of the House Appropriations Committee
Good morning.

I am Cal Klewin Executive Director of the **Theodore Roosevelt Expressway Association (TREA)**.

The **Theodore Roosevelt Expressway** (Highway 85) is a Federally-Designated High Priority Corridor on the National Highway System. It runs from Rapid City, SD, to Canada through western North Dakota to the Port of Raymond in Montana. On the southern end, it connects to the Heartland Expressway, which connects Rapid City, SD, to Denver, CO. The Heartland Expressway then links to the Ports-to-Plains Trade Corridor, which connects Denver, CO, to Laredo, TX. These three corridors are collectively known as the Ports-to-Plains Alliance.

The **Theodore Roosevelt Expressway**--separately and as part of the Ports-to-Plains Alliance--is critical to the economy and quality of life of North Dakota, of the Great Plains region, and the Nation. The TRE serves as a major North South corridor for North Dakota's energy, agriculture, tourism and manufacturing economic sectors.

I know this Committee is fully aware of the immediate transportation infrastructure needs in our state. The Theodore Roosevelt Expressway Association supports long term sustanable state transportation funding for NDDOT. On the Federal level TREA and the Ports to Plains Alliance supports a long term Federal Transportation Bill and working with Corriodor Congresstional delegations stressing the need for sufficient transportation funding.

Today, you have House Bill 1012 before you. HB 1012 can offer funding to help modernize North Dakota's surface transportation system. HB 1012 can contribute to the current and future prosperity of North Dakota and our Nation with a safe and efficient transportation system for industry, business and the traveling public.

**Therefore, the Theodore Roosevelt Expressway Association and the Ports to Plains Alliance supports House Bill 1012.**

That concludes my testimony, I will try to answer any questions you may have.

Thank You,

Theodore Roosevelt EXPRESSWAY

Cal Klewin Executive Director

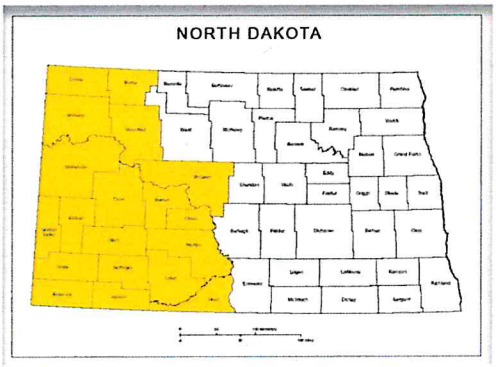
**Theodore Roosevelt Expressway Association**

PORTS TO PLAINS ALLIANCE

Theodore Roosevelt EXPRESSWAY

# The Theodore Roosevelt Expressway (TRE) and the Ports to Plains Trade Corridor (P2P)

## What drives North Dakota's economy?




Over 89% of North Dakota land is dedicated to farming operations. In 2020 North Dakota generated over $7.3 billion in agricultural cash receipts. In the same year North Dakota's agricultural production and processing industries represented over 7% of the states GDP. **20% of this agricultural production occurs in counties that are served by the TRE and the trade corridor.** North Dakota's agricultural exports total over $865 million. $280 million is transported by truck to Canada and $7.5 million to Mexico. **$542 million is transported by truck to other states on the P2P trade corridor.**

In 2021 North Dakota produced over 455 million barrels of oil and 1195 million cubic feet of gas which represents over $2 billion in oil tax collections. ($22 billion from 2008 to 2020). **99% of the oil and gas production occurs in the counties supported by the TRE and P2P trade corridor.** In terms of transportation impacts, the oil and gas industry generated over 165,000 oversize/overweight permits in 2021. **21% (35,131) of these permits were issued for US 85, still primarily a 2-lane highway on the TRE and P2P trade corridor.**

## What is the value of the TRE and P2P Trade Corridor to North Dakota

The Theodore Roosevelt Expressway (TRE) is the Northern third of the Ports to Plains Alliance. It runs from Rapid City, SD to Canada through the Port of Raymond in Montana. The TRE begins in Rapid City and flows through the cities of Spearfish, Belle Fourche, Bowman, Belfield, Watford City, Williston, Culbertson, Plentywood, and finally through the Port of Raymond into Canada.

The 2,300-mile Ports-to-Plains Alliance Corridor runs from Mexico to Canada through nine rural states and serves several major international border crossings, including Laredo, Texas. The Corridor includes three congressionally designated High Priority Corridors on the National Highway System (NHS): • Ports-to-Plains Trade Corridor #38 • Heartland Expressway #14 • Theodore Roosevelt Expressway #5.

PORTS TO PLAINS ALLIANCE

Theodore Roosevelt EXPRESSWAY

**Approximately 1100 of the 2300-mile corridor 47% has been upgraded to four-lane or better including 10 miles on US 2 west of Williston, ND, and 40 miles on US 85 from Williston to Watford City, ND.** In Texas and New Mexico, the next evolution of this corridor will be to build out to future interstate standards since this segment was recently designated federally as a future interstate. **In North Dakota, we need to complete 160 miles of US 85 from Watford City to the North Dakota/South Dakota State Line.**

Along the P2P trade corridor, 12 of the nation's top 20 feedlots are served by this transportation artery. This corridor supports over $11 billion a year in agriculture production. In 2020 this corridor generated over 12.1 million tons of trade commodities with Canada valued at $27 billion and 43.4 million tons of trade commodities with Mexico valued at $144.2 billion. **North Dakota's trade benefit on this corridor is projected in the USDOT Freight Analysis Framework to grow to 3.6 million tons with Canada valued at $2.5 billion by 2050.**

Another unique feature of the P2P trade corridor which includes the TRE is that fact that two of the nation's largest oil fields anchors both ends of this corridor, the Permian Basin in Texas, and the Bakken in North Dakota. Some of the nation's largest oil companies are working both fields which is facilitating the movement of commodities and resources up and down the corridor.

**Why should North Dakota invest in the TRE and P2P trade corridor?**

Completing the Theodore Roosevelt Expressway (TRE) to a four- lane divided highway will position the State to take full advantage of the future benefits that are expected to be realized as the whole corridor is finally completed throughout United States. Population projections along the P2P corridor will continue to see increases with Denver Colorado, a major metropolitan area being served by these transportation improvements. Trade with Mexico will double in the next thirty years and agricultural commodities such as beef and feedstock will continue to be significant trade items.

Every study that has looked at this transportation corridor over the past 15 years has recognized a positive return on the investment with significant increases in state's economic GDP. Completing the TRE in North Dakota is good for the state and good for business.

NDSA

**HB 1003**

January 3rd, 2023

Christopher Scott, North Dakota Student Association

701.340.3380 | Christopher.m.scott@ndus.edu

Chair Vigesaa and Members of the Committee: My name is Christopher Scott, and I am the current President of the North Dakota Student Association and I am here today in support of HB 1003 and to bring the student perspective on HB 1003

The North Dakota Student Association is a student organization established in 1969 dedicated to ensuring that students have a voice at the table in policy that affects Higher Education. We consist of delegates from each of the 11 public institutions meeting monthly to engage students in ND Higher Education policy! Our mission is to empower students, create collaboration between the student bodies of the North Dakota public universities, and to give a student perspective on higher education policy as I am doing here today.

One of the biggest decisions for parents of college students and for college students themselves is how do I pay for college, and where do where do I go to college? North Dakota traditionally has had the lowest tuition rates in the country for years thanks to the management of the University System, and ample funding from the state legislature. Many students from other states and other countries come to North Dakota for a cheap quality college education! Going forward, it is therefore important to keep tuition affordable to students. Keeping tuition affordable for students not only brings more students to attend colleges in North Dakota, but also helps the state economically. Additionally, once students graduate, they tend to settle in the area that they graduate from, ultimately bringing more workforce to North Dakota, and thereby more funds that North Dakota can then use going forward! It's a positive investment!

While talking about the NDUS budget, one of the things that was brought up time and time again in the campus visits in the fall was that the University System is operating at the bare bones, and so with more funds to distribute in this legislative session than any before, I would ask the legislators to consider potentially increasing the budget beyond what is proposed if there is room for it! After all, Higher Education is a positive investment, the more you put in it, the more return you get, and is one of the ways North Dakota can address its workforce needs, particularly in critical areas, such as teachers and nurses.

On that note, one of the ways the legislature can do this is look at staff and faculty salaries. In today's world, inflation has impacted everything, from buildings costs, to the cost of living, to salaries. The Universities proposal is a 6 percent increase in salary this next year, and 4 percent increase the following year. With many sources reporting a 7 percent inflation in 2022 alone, this piece of the budget proposal is critical to keeping quality staff and faculty in North Dakota, and directly affects the quality of education. While the current proposed raises are a step in the right direction, and I support these, I would also support the legislature considering increasing these percentages a bit more, should budget allow!

Every legislative session, the NDSA passes a resolution stating its legislative priorities for that session. Some things that are proposed to be funded with HB 1003 align directly with the legislative priorities we have for this session. The first and foremost that I want to mention is the Behavioral Health Initiative. This initiative is 3.6-million-dollar proposal that adds 12 Full Time Counselors, and One Part Time Counselors positions across the NDUS institutions. Mental Health is a significant part of whether a student will succeed in college or not! In my personal experiences, many friends that I knew dropped out of college their first and second years due to personal mental issues! Worse, there are students that have considered or have taken their own lives due to mental health issues within the last few years, a couple making headlines. There were also a couple times, particularly during COVID-19 that when students were using the counseling services that universities provide, there were a couple times that were significantly backed up, and in order for that student to be seen, they might have to wait weeks or a couple months! So, this initiative would directly help with expanding the universities capacity at addressing student mental health needs!

Secondly, there are several investments that create scholarships in areas that ensure that student receive education preparing them to enter workforces in emerging technologies, and increase access to student financial aid for NDUS students, both of which are also NDSA legislative priorities! With HB 1003 specifically, what is proposed is a 24 million dollar innovation program, 10 million dollars for Education Scholarships for the Energy Workforce, a Veteran Program, the Dakota Digital Academy, and the ND AC/CTE Scholarships. All of these reduce barriers for students, and increasing access to an affordable education, which loops back to where I started! One of the most important factors for students going to college is where to go to college and how are they going to afford it! And as such in closing, support HB 1003 as it does increase student's access to a more accessible and affordable quality education!

# Dakota College at Bottineau

## House Appropriations Committee - Education and Environment Division

68th Legislative Session

January 10, 2023

Carmen Simone, PhD -- Campus Dean / CEO
Steve Shirley, PhD -- President

DAKOTA COLLEGE AT BOTTINEAU

# DCB Leadership

- Began in Campus Dean role on August 15, 2022
  - Replaced Dr. Jerry Migler
  - Inherited a vibrant, dynamic institution
  - Unique within North Dakota University System
  - Strength through collaboration
  - Focus on serving northcentral North Dakota

DAKOTA COLLEGE AT BOTTINEAU

# Statutory Authority

North Dakota Constitution, Article VIII, Section 6

1. State Board of Higher Education is created for the control and administration of:

e. the school of forestry, at Bottineau

North Dakota Century Code, Chapter 15, Section 10

1. State Board of Higher Education shall have control and administration of:

5. the following colleges: Bismarck state college, Dakota college at Bottineau, Lake Region state college, and Williston state college.

North Dakota Century Code, Chapter 15, Section 16

1. The school of forestry must be located at Dakota college, Bottineau, North Dakota.

North Dakota Century Code, Chapter 15, Section 18

1-05. Minimum standards.

All postsecondary educational institutions must be accredited by national or regional accrediting agencies recognized by the United States department of education.

DAKOTA COLLEGE AT BOTTINEAU

# Mission and Responsibility

**Original purpose - forestry education**

**Today - we are one of five community colleges in North Dakota**

## The community college mission includes:

- transfer coursework equivalent to the first two years of a baccalaureate degree
- postsecondary career and technical education programming
- short-term community and workforce training courses
- dual credit opportunities
- community outreach and enhancement
- student life and student support services

***AND, of course for us, natural resources and forestry education***

We are an affiliate campus of Minot State University

DAKOTA COLLEGE AT BOTTINEAU

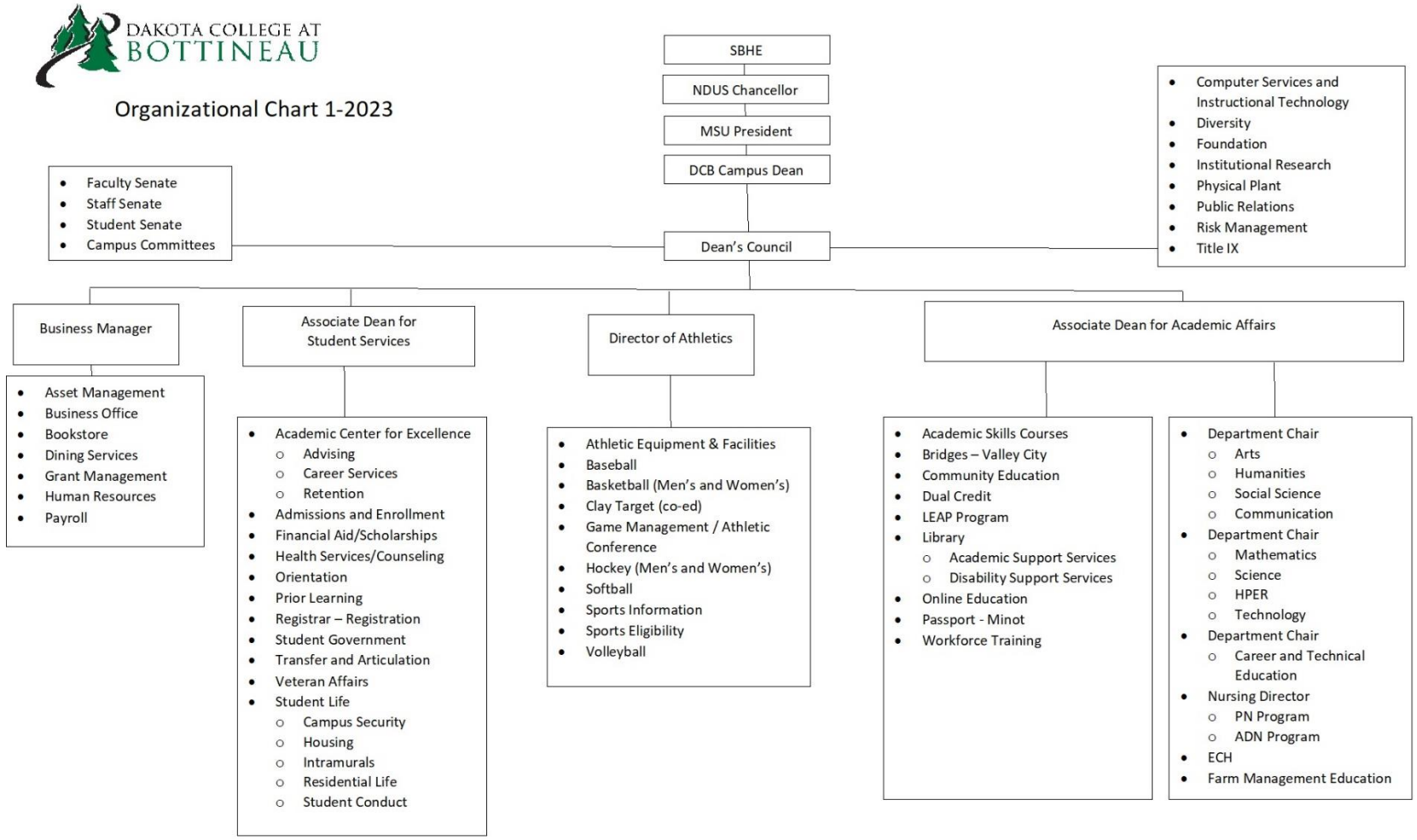
# Shared Services with Minot State University

- Passport Program for Underprepared Students
- Classroom and Office Space
- Accounting Services
- Payroll Processing
- Business Manager
- Institutional Research Support
- Human Resources Support
- Printing Services
- Title IX (Anti-Discrimination) Support

This approach allows us to focus our funding into the classroom

DAKOTA COLLEGE AT BOTTINEAU

# Organizational Chart




DAKOTA COLLEGE AT BOTTINEAU

# Audit Results from FY2020

## Two findings:

- Inadequate Documentation of Veteran Waivers
- Inadequate Paperwork for Procurement Process

Both addressed internally.

## Awaiting FY2022 Results

DAKOTA COLLEGE AT BOTTINEAU

# Accomplishments During Last Biennium

- Leadership Transition – Dean and Associate Dean levels
- Opening of Newly Constructed Dining Center
  - Funded with Revenue Bonds (through 2046)

DAKOTA COLLEGE AT BOTTINEAU

# Accomplishments During Last Biennium

- Three Teams Traveled to Nationals
  - Men's Hockey, Women's Hockey, Women's Basketball

- Grew Foundation to over $4,000,000
  - ***First*** Capital Campaign is underway

DAKOTA COLLEGE AT BOTTINEAU

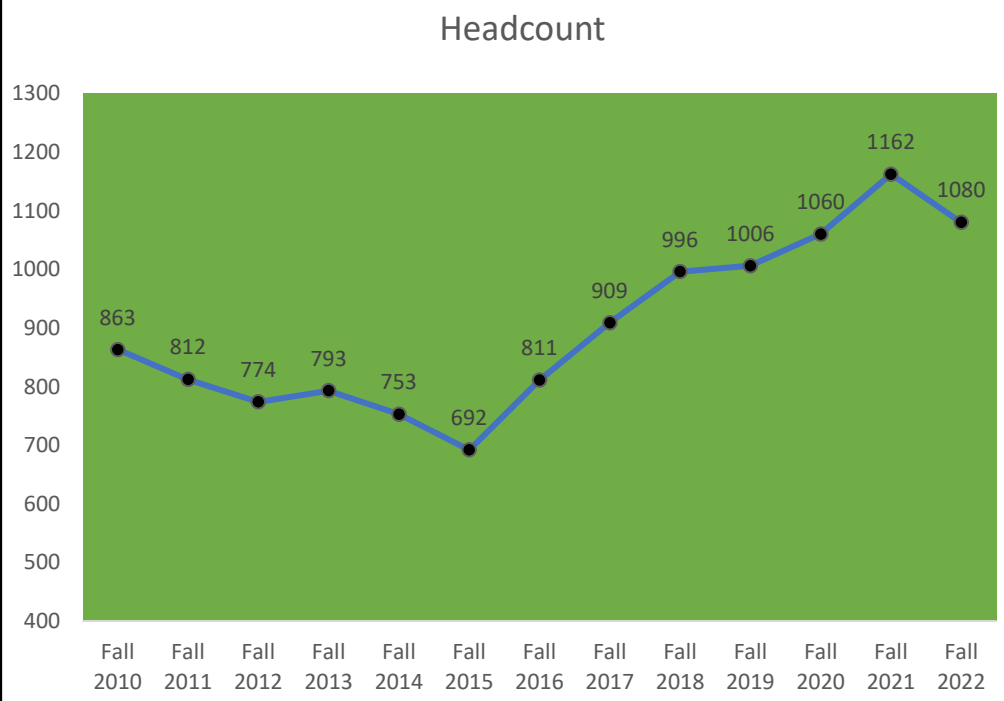
# Accomplishments During Last Biennium

- Graduated 203 students in 2021
- Graduated 219 students in 2022

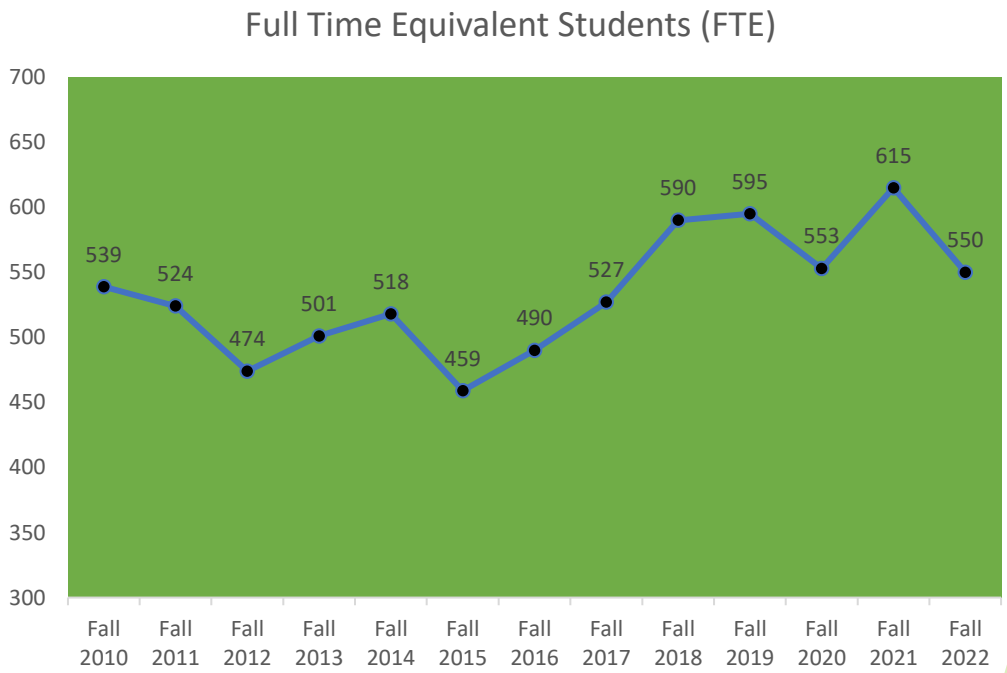
- Maintained Enrollment through Pandemic

DAKOTA COLLEGE AT BOTTINEAU

# Enrollment Trends




- 56% Increase from Fall 2015 to Fall 2022




- 20% Increase from Fall 2015 to Fall 2022

DAKOTA COLLEGE AT BOTTINEAU

## Current Opportunities and Challenges

- Turnover, especially in coaching staff
- Faculty and staff compensation levels
- Enrollment management planning

## Long-Term Challenges

- Faculty and staff retention
- Aging on-campus housing facilities

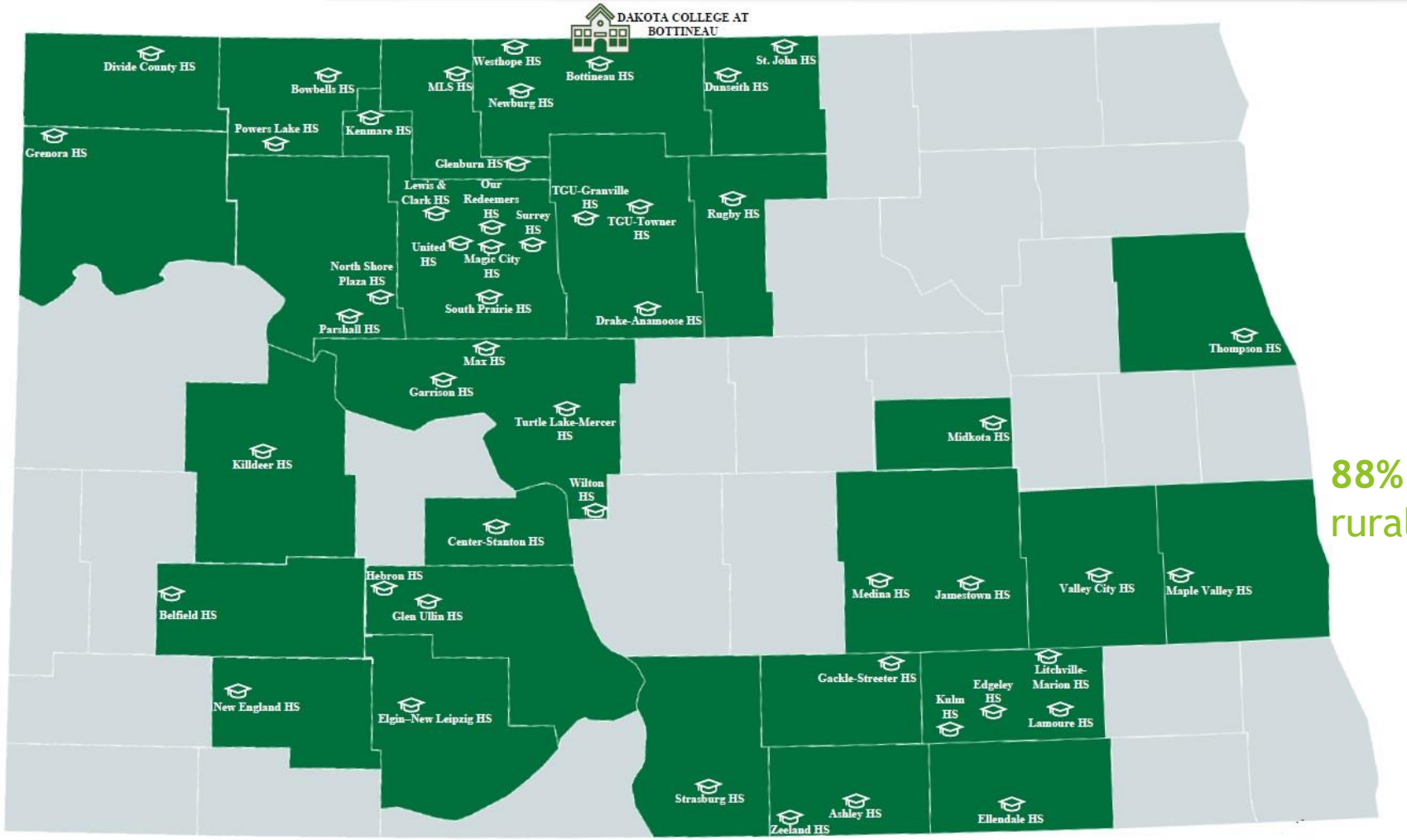
DAKOTA COLLEGE AT BOTTINEAU

# Goals For Next Biennium

- Maintain Strong Financial Position
- Review All Programmatic Offerings
- Focus on Enrollment Management (Recruiting/Retention)
- Strengthen Dual Credit Offerings throughout State
- Complete Minot CTE Center Project
  - Establish Dental Assisting Program in Minot
  - Establish Dental Hygiene Program in Minot
  - Develop Workforce Training Program in Minot
- Complete Center for Rural Healthcare Capital Project
  - Increase Nursing Enrollment (LPN/RN)

DAKOTA COLLEGE AT BOTTINEAU

# Dual Credit Partnerships




88% remote or rural schools

*The LEAP Program – Leading to Education and Advanced Preparation*
*Certificate in College Studies (24 credits)*

DAKOTA COLLEGE AT BOTTINEAU

# Minot Career and Technical Center

**Partners -** City of Minot, Trinity Health, Dakota College at Bottineau, Minot State University, MSU Development Foundation, Minot Area Chamber Economic Development Corporation

## Building Renovation

$3,400,000 in federal funding
$1,840,000 in city funding (HUB)
$651,000 in grant funding (RWIP)

## New Programming:

- Dental Assistant – Certificate and Degree
- Dental Hygiene – Degree
- Additional Programming Based on Community Needs

DAKOTA COLLEGE AT BOTTINEAU

# Rural Health Education Center

## *A New Purpose for Old Main*

**Funding from Last Biennium ($2,500,000) - THANK YOU!**

**Local Capital Campaign Commitment ($1,500,000)**

**To date: $861,000 raised = 57% of goal**

Anticipated Programming:

- Certified Nurse Assistant
- Licensed Practical Nurse
- Registered Nurse
- Medical Coding
- Medical Assistant
- Medical Transcriptionist
- Qualified Service Provider

*Health Care Related Workforce Training*

DAKOTA COLLEGE AT BOTTINEAU

# Rural Health Education Center

Submitted request through SBHE
for another $1,375,000
Ranked #1 on project list

Based on October projections,
construction short by $2,325,000
OMB request – supported by Governor

Executive Budget: ***$3,700,000***

Review of project in November revealed
October projections did not include an
appropriate FFE budget - $600,000

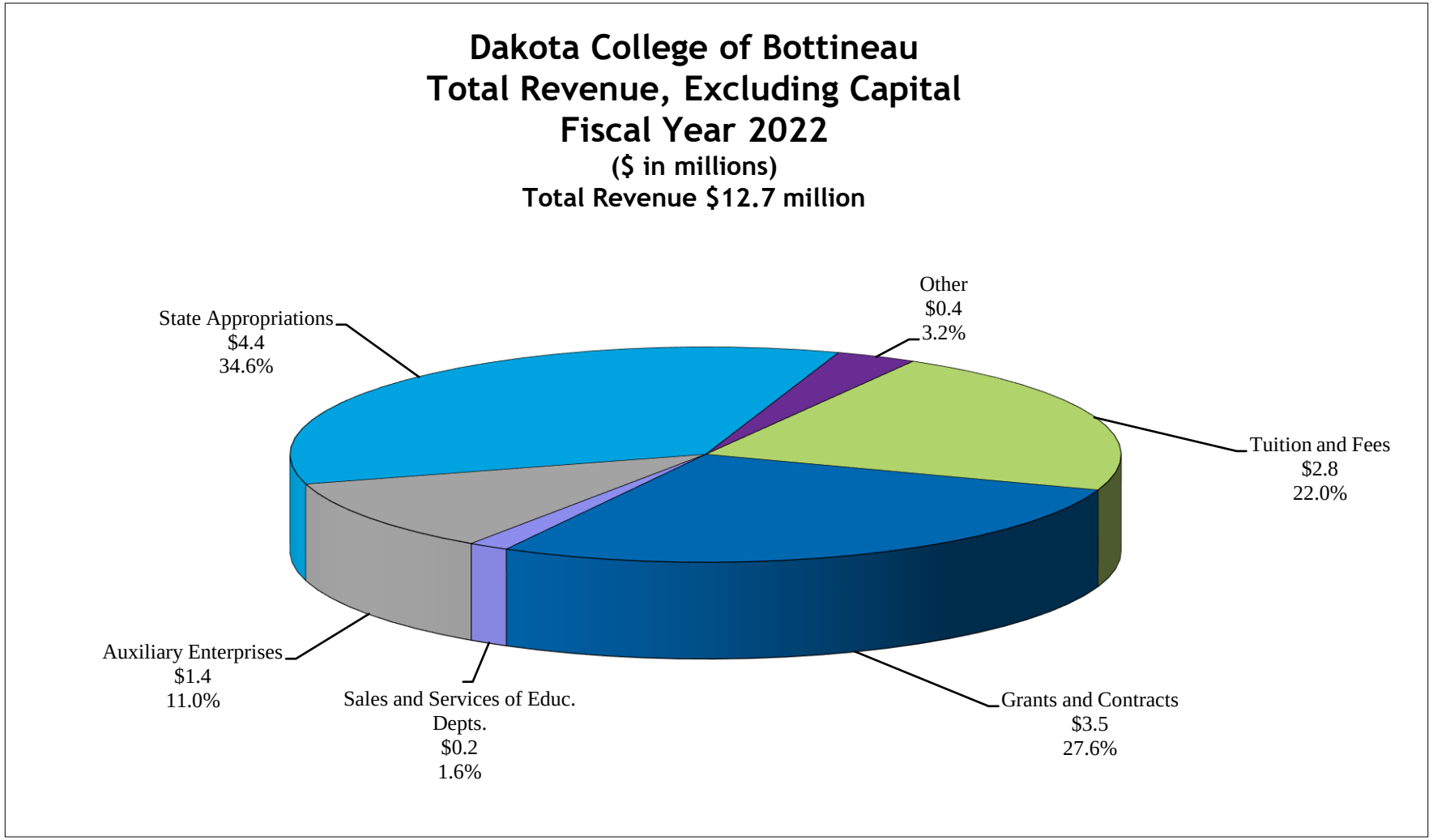
Projected funding for completion: ***$4,300,000***

DAKOTA COLLEGE AT BOTTINEAU

# Cost Escalation

- **The cost for the original $4.0 million Center for Rural Health Education (Old Main Renovation) project has escalated due to the following factors:**
- $1,542,776 – inflation adjustment (38.6% overall since 2016)
- $575,000 – unanticipated structural repairs
- $477,757 – added building shell costs
- $800,000 – windows cost adjustment
- $264,398 – adjustment for installation of elevator
- $297,974 – fixtures, furnishings, and equipment (FFE) budget, inflation adjusted – nursing
- $376,800 - fixtures, furnishings, and equipment (FFE) – information technology
  - **= $4,334,705 ADDITIONAL FOR PROJECT COMPLETION**
- **Based on this, the total additional request for the Center for Rural Health Education (Old Main Renovation) project is $4.3 million for a total project cost of $8.3 million.**

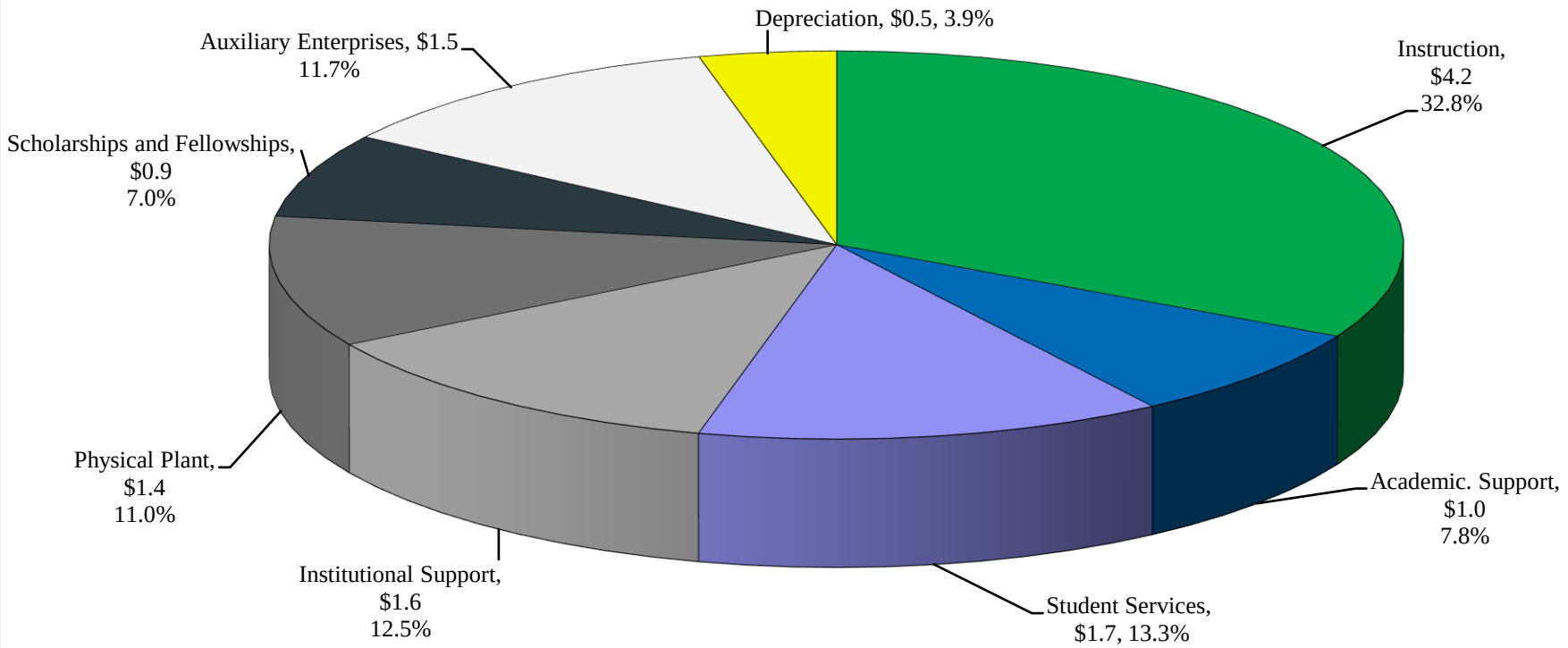
DAKOTA COLLEGE AT BOTTINEAU




Source: Audited NDUS Financial Statements, June 30, 2022

DAKOTA COLLEGE AT BOTTINEAU

**Dakota College of Bottineau**
**Operating Expenses by Function**
**(excluding capital items and other nonoperating expenses)**
**Fiscal Year 2022**
**(in millions)**
**Total Operating Expenses: $12.8 million**




Source: Audited NDUS Financial Statements, June 30, 2022

DAKOTA COLLEGE AT BOTTINEAU

# Comparison: SBHE Request and Executive Recommendation

## Dakota College at Bottineau

### Comparison of 2021-23 Base Budget to 2023-25 SBHE Request and Executive Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| Campus Operations | $ 23,640,055 | $ 521,854 | $ 24,161,909 | $ 24,921,949 | $ 1,281,894 | $ 760,040 |
| Capital Assets | $ 114,007 | $ - | $ 114,007 | $ 4,313,707 | $ 4,199,700 | $ 4,199,700 |
| **Total Appropriation** | **$ 23,754,062** | **$ 521,854** | **$ 24,275,916** | **$ 29,235,656** | **$ 5,481,594** | **$ 4,959,740** |
| 23754062 | | | | | | |
| General Fund | $ 9,537,862 | $ 478,587 | $ 10,016,449 | $ 10,684,626 | $ 1,146,764 | $ 668,177 |
| Special Funds | $ 14,216,200 | $ 43,267 | $ 14,259,467 | $ 18,551,030 | $ 4,334,830 | $ 4,291,563 |
| **Total Funding Sources** | **$ 23,754,062** | **$ 521,854** | **$ 24,275,916** | **$ 29,235,656** | **$ 5,481,594** | **$ 4,959,740** |
| Total Positions FTE | 82.29 | | | 84.00 | | |

DAKOTA COLLEGE AT BOTTINEAU

# DAKOTA COLLEGE AT BOTTINEAU

## 2023-2025 General Funds Budgets Comparison

| | SBHE Request | | Executive Recommendation | |
|---|---|---|---|---|
| 2021-2023 General Fund Base Budget | $ 9,537,862 | | $ 9,537,862 | |
| Base Budget Request | | | | |
| - Funding Formula increase | $ 428,768 | | $ 428,768 | |
| - Behavioral Health Initiative | $ 170,000 | | | |
| - Salary continuation adjustment | $ 49,819 | | $ 49,819 | |
| - Salary and Insurance Package | | | $ 668,177 | |
| Total Base General Fund Request | $ 648,587 | | $ 1,146,764 | |
| 2023-2025 General Fund Base Budget | $ 10,186,449 | 6.8% | $ 10,684,626 | 12.0% |
| One-Time Capital Funding | | | | |
| Old Main Renovation | $ 3,700,000 | | $ 3,700,000 | (SIIF) |
| Additional Requested - Old Main | $ 600,000 | | | |

DAKOTA COLLEGE AT BOTTINEAU

# Compensation Requests

**Dakota College appreciates the recommended salary (6% / 4%) and health insurance adjustments**

**Recruitment, Retention, Morale**

**Concern: Only a portion of our personnel budget is assisted by this action (general fund = 34.6%)**

**Every faculty and staff member is important to us**

***Please consider funding the "student share"***

DAKOTA COLLEGE AT BOTTINEAU

# Dakota College at Bottineau

# 2023-2025 Budget Presentation

## THANK YOU FOR YOUR SUPPORT

Carmen Simone, PhD -- Campus Dean / CEO
Steve Shirley, PhD -- President

DAKOTA COLLEGE AT BOTTINEAU

NDSU *North Dakota Forest Service*

**HB 1003**

**HOUSE APPROPRIATIONS**
**EDUCATION AND ENVIRONMENT COMMITTEE**

**Representative Mike Nathe, Chair**

**Forestry Supports the Health, Safety and Economy of North Dakota**

# 2023-2025 Biennial Budget Request

TOM CLAEYS, STATE FORESTER
January 10, 2023

# STATUTORY RESPONSIBILITIES

- 4.1-21 State Forester
- 18-02-07 Cooperation of state forester and other agencies - Fire and forest protection
- 18-14 Interstate compact for the prevention and control of wildland fires
- 57-57 Forest Stewardship

# ORGANIZATIONAL STRUCTURE

# SUMMARY OF AGENCY SERVICES

Community Forestry

Fire Management

Forest Health

# SUMMARY OF AGENCY SERVICES

Forest Stewardship

Outreach and Education

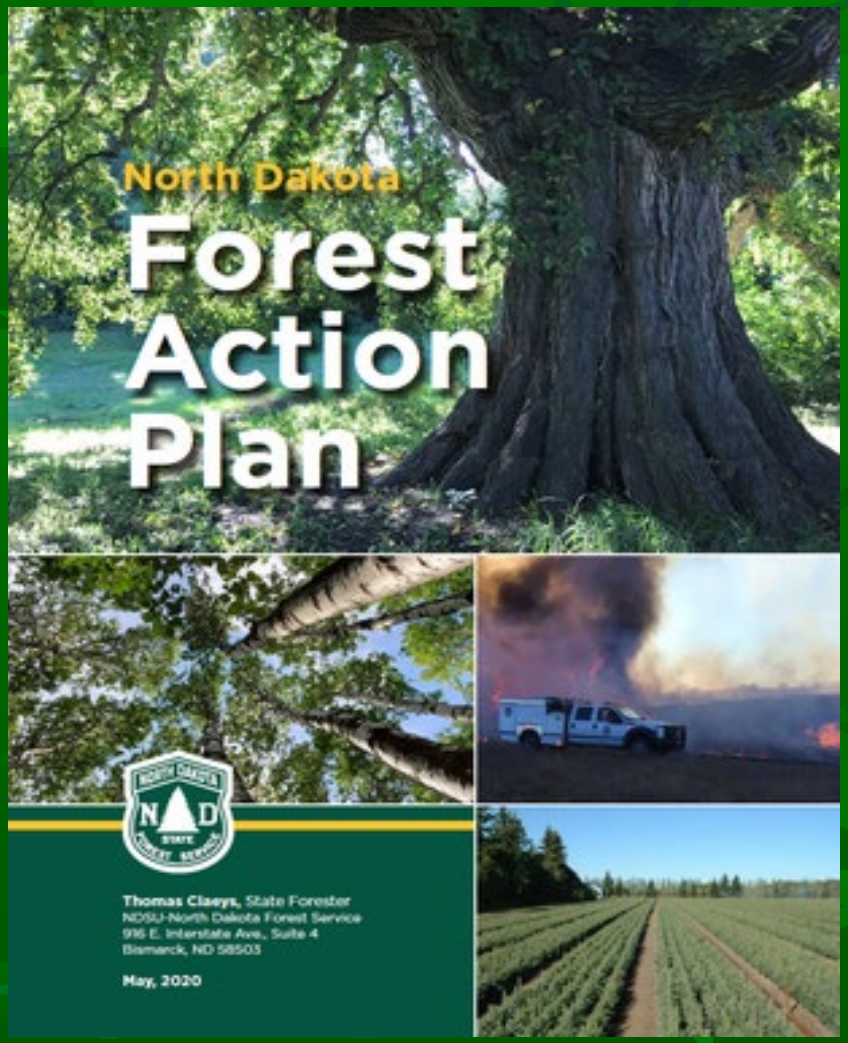
State Forests

Towner State Nursery

# AGENCY PERFORMANCE MEASURES

2020 Forest Action Plan

Accountability Measures

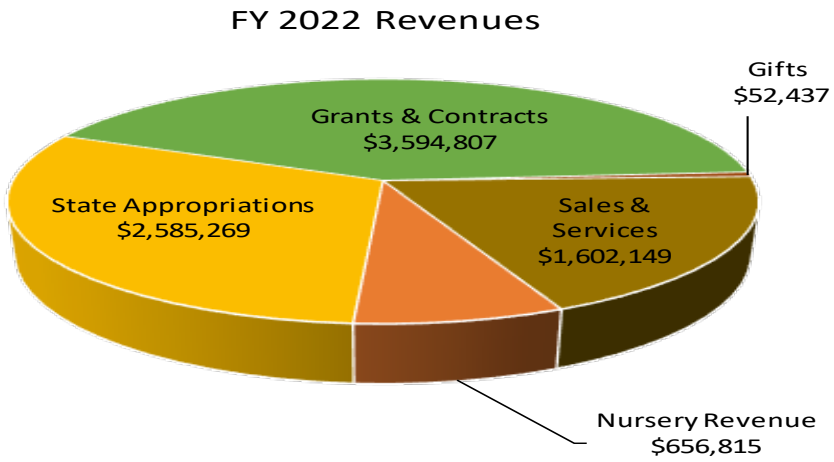


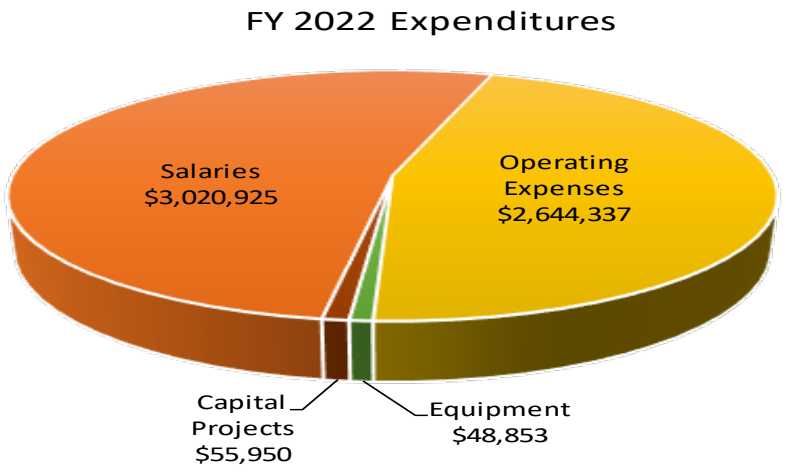
# 2021-2023 REVENUES & EXPENSES

**NORTH DAKOTA FOREST SERVICE**
**FY 2022 REVENUES AND EXPENSES**

| **Revenues** | | |
|---|---|---|
| Nursery Revenue | $ 656,815 | 8% |
| State Appropriations | $ 2,585,269 | 30% |
| Grants & Contracts | $ 3,594,807 | 42% |
| Gifts | $ 52,437 | 1% |
| Sales & Services | $ 1,602,149 | 19% |
| Grand Total | $ 8,491,477 | |

| **Expenses** | | |
|---|---|---|
| Salaries | $ 3,020,925 | 52% |
| Operating Expenses | $ 2,644,337 | 46% |
| Equipment | $ 48,853 | 1% |
| Capital Projects | $ 55,950 | 1% |
| Grand Total | $ 5,770,065 | |



# 2023-2025 BIENNIAL BUDGET REQUEST

## OPERATIONS

- ✓ **Salary and Health Insurance**
- ✓ **Special Funds**
- ✓ **Optional Requests**

## CAPITAL ASSETS

- ✓ **Equipment Over $5,000**
- ✓ **Extraordinary Repairs**

## CAPITAL PROJECT REQUEST

# 2023-2025 FUNDING REQUEST - HB 1003

## North Dakota Forest Service

### Comparison of 2021-23 Base Budget, 2023-25 SBHE Budget Request and Executive Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Budget | Executive Recommendation | Executive Difference from 2021-23 Base Level | Executive Difference from SBHE Budget |
|---|---|---|---|---|---|---|
| **General Fund Appropriation** | | | | | | |
| Operations | $ 4,673,750 | $ - | $ 4,673,750 | $ 4,673,750 | $ - | $ - |
| Cost to Continue Salaries | | $ 30,847 | $ 30,847 | $ 30,847 | $ 30,847 | $ - |
| Capital Assets | $ 118,728 | | $ 118,728 | $ 118,728 | $ - | $ - |
| Salary Increases - 6%/4% | | $ 299,702 | $ 299,702 | $ 299,702 | $ 299,702 | $ - |
| Health Insurance Increases | | $ 128,594 | $ 128,594 | $ 128,594 | $ 128,594 | $ - |
| Forest Recreation Enhancement Initiative | | $ 200,000 | $ 200,000 | $ 200,000 | $ 200,000 | $ - |
| Cooperative Fire Protection Initiative | | $ 187,000 | $ 187,000 | $ 187,000 | $ 187,000 | $ - |
| **Total General Fund Appropriation** | **$ 4,792,478** | **$ 846,143** | **$ 5,638,621** | **$ 5,638,621** | **$ 846,143** | **$ -** |
| **Special Fund Appropriation** | | | | | | |
| Operations | $ 10,669,315 | | $ 10,669,315 | $ 10,669,315 | $ - | $ - |
| Change in Estimated Income | | $ 8,258,141 | $ 8,258,141 | $ 8,258,141 | $ 8,258,141 | $ - |
| Salary Increases - 6%/4% | | $ 8,672 | $ 8,672 | $ 8,672 | $ 8,672 | $ - |
| Health Insurance Increases | | $ 5,144 | $ 5,144 | $ 5,144 | $ 5,144 | $ - |
| Towner Nursery Special Fund Increase | | $ 200,000 | $ 200,000 | $ 200,000 | $ 200,000 | $ - |
| **Total Special Fund Appropriation** | **$ 10,669,315** | **$ 8,471,957** | **$ 19,141,272** | **$ 19,141,272** | **$ 8,471,957** | **$ -** |
| General Fund | $ 4,792,478 | $ 846,143 | $ 5,638,621 | $ 5,638,621 | $ 846,143 | $ - |
| Special Funds | $ 10,669,315 | $ 8,471,957 | $ 19,141,272 | $ 19,141,272 | $ 8,471,957 | $ - |
| **Total Funding Sources** | **$ 15,461,793** | **$ 9,318,100** | **$ 24,779,893** | **$ 24,779,893** | **$ 9,318,100** | **$ -** |

# ADDITIONAL INFORMATION

BILLS CONSIDERED BY THE LEGISLATIVE ASSEMBLY

FINANCIAL AUDIT FINDINGS

FEDERAL STATE FISCAL RECOVERY FUNDING

FEDERAL FUNDING

# Optional Request

Forest Recreation Enhancement

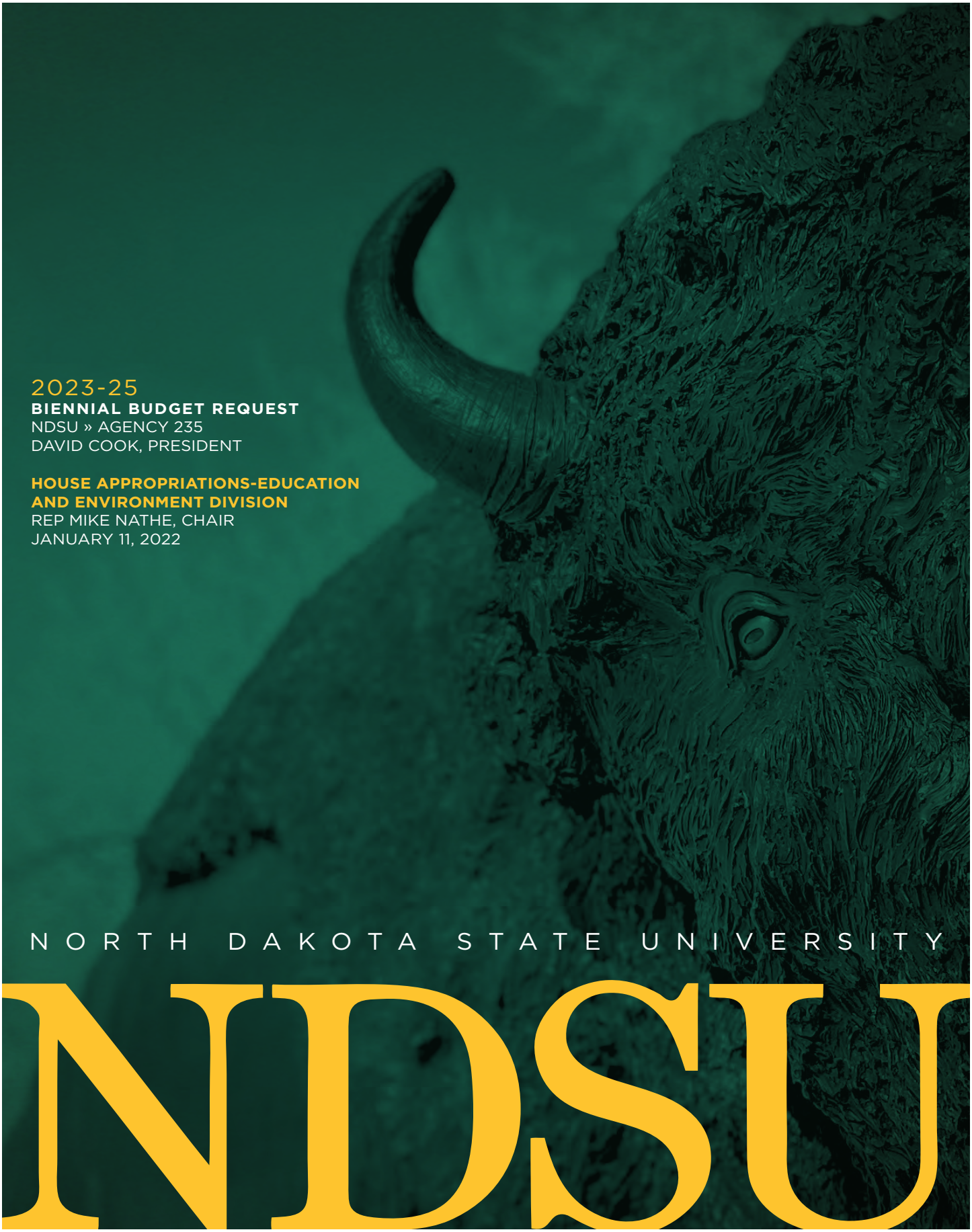
- 207% increase in trail usage
- 197% increase in campground usage

# Optional Request

Cooperative Fire Protection Initiative

2021 was unprecedented

- ✓ 2,199 cumulative fires
- ✓ 122,300 acres burned
- ✓ 3 incidents with injury
- ✓ 6 total injuries
- ✓ 49 damaged structures



2023-25
**BIENNIAL BUDGET REQUEST**
NDSU » AGENCY 235
DAVID COOK, PRESIDENT

**HOUSE APPROPRIATIONS-EDUCATION AND ENVIRONMENT DIVISION**
REP MIKE NATHE, CHAIR
JANUARY 11, 2022

NORTH DAKOTA STATE UNIVERSITY

# NDSU

North Dakota State University is pleased to submit for consideration this agency review and summary for the 2023-25 biennial budget request.

# INTRODUCTION

NDSU has a longstanding commitment of bringing educational opportunities and research solutions to the people of North Dakota. Our commitment remains focused on affordable access to a high-quality education for our students and serving state interests in a manner demonstrating sound stewardship and accountability.

NDSU is proud to support the state's agriculture industry, while also excelling in engineering, health professions, pharmaceutical, biological and physical sciences. As the SBHE's designated site for high-performance computing, NDSU's Center for Computationally Assisted Science and Technology (CCAST) provides the super-computing facilities and staffing backbone for those data intensive disciplines, and is critical to key North Dakota initiatives, particularly in the UAS industry.

Our graduates enjoy an exceptional job placement rate in their fields of study, exhibit a high level of residency in the state after graduation, and make significant contributions to the state's tax base. The university's research success has led to federal research and development expenditures, licensing revenues and new business growth, resulting in job creation and a diversified economy.

As NDSU continues to evolve and grow, we also continue our commitment to affordability, efficiency and productivity. We look forward to addressing the needs and aspirations of North Dakota.

# AGENCY OVERVIEW

Agency Statutory Authority ND Constitution, Section 215, North Dakota Century Code Chapter 15-12

## AGENCY DESCRIPTION

NDSU is the state's 1862 land grant institution and serves the state by bringing educational opportunities and research solutions to the people of North Dakota. Our commitment remains focused on affordable access to a high-quality education for our students and serving state interests in a manner demonstrating sound stewardship and accountability. NDSU's success has led to higher national and international visibility, not just for itself but the entire state, and most importantly, more substantial contributions to the success of North Dakota and the nation.

NDSU offers undergraduate, masters and doctoral degrees as well as undergraduate and graduate certificate programs. While the significant majority of its students are in-person, NDSU also offers online options and is committed to expanding its online and hybrid offerings.

NDSU leads the state in the enrollment of first-time freshmen, and remains the largest university in the state in terms of overall full-time enrollment. Our signature programs include Engineering (largest discipline enrollment), Agriculture (largest NDSU research productivity), and Health Professions (2nd largest discipline enrollment with nationally ranked programs for Pharmacy and Nursing).

NDSU collaborates with many institutions across the country and the state. Some of these relationships include research collaborations with other leading research universities throughout the country, administrative service agreements with other institutions within the NDUS whereby NDSU provides administrative support (e.g., payroll) to those institutions, transfer agreements designed to facilitate student transfers within the NDUS, and joint-degree programs where institutions within the NDUS collaborate on degree programs.

As NDSU continues to evolve, adapt and thrive, we also continue our commitment to affordability, efficiency and productivity. That commitment is reflected in the success of our students, local and service region communities and the statewide economic interests we serve. We look forward and remain committed to addressing the needs and aspirations of North Dakota by building on our land grant foundation.

## AGENCY MISSION STATEMENT

We provide transformational education, create knowledge through innovative research, and share knowledge through community engagement that meets the needs of North Dakota and the world.

# PROGRAM NARRATIVE

## PROGRAM GOALS AND OBJECTIVES

NDSU is proud of its tradition as the state's student focused, land grant, research institution. The mission of the university is to provide transformational education, create knowledge through innovative research, and share knowledge through community engagement that meets the needs of North Dakota and the world. We embrace this responsibility as a cornerstone of our future productivity.

NDSU continues to excel in providing high-quality accessible and affordable education to meet academic and professional standards. Research productivity remains strong; our faculty compete successfully for corporate, state, and federal research grants, and our creative activity is vibrant and diverse. We serve, and are accountable to the constituents of the state.

The vision for NDSU as outlined in our strategic plan is to be innovative in education, research and outreach, and identifies goals and objectives in five areas including Diversity, Inclusion and Respect; Student Success and Achievement; Research and Creative Activity; Education, Extension and Outreach; and Resource Planning and Development. We incorporate best practices in teaching and learning to deliver high quality curricula approved by the State Board of Higher Education to meet student and labor force needs. As a land grant institution, we serve the constituents of the state through programmatic and outreach efforts. Additionally, the university's research and creative outputs are critical to improving the vitality of the state's economy and quality of life (https://www.ndsu.edu/fileadmin/president/pdf/NDSU_Strategic_Plan_0522.pdf).

In support of these goals and objectives, student services and institutional support is necessary. NDSU must meet the needs of students by providing traditional and innovative programs to assist in the total development of the student. Moreover, we must be responsive to labor-force demands and opportunities in the state through expanded offerings while balancing our portfolio for the best and responsible use of resources. In response to the pandemic, NDSU adopted the HyFlex (Fall 2020) learning model which synchronously incorporates traditional in-person classes with remote learning. We are now seeing increasing demand for asynchronous on-line programming as well, and will expand efforts accordingly.

We are also committed to supporting student achievement and academic excellence through career preparation and development. We promote a better quality of life for our students through wellness programs, the provision of alcohol-free social activities, counseling and personal growth opportunities, as well as services for first generation students, veterans, and students with disabilities.

## PROGRAM STATISTICAL DATA

NDSU consists of eight colleges: College of Agriculture, Food Systems and Natural Resources; College of Arts, Humanities, and Social Sciences; College of Business; College of Engineering; College of Human Sciences and Education; College of Health Professions; College of Science and Mathematics; and the College of Graduate and Interdisciplinary Studies.

NDSU offers a wide range of undergraduate majors, minors and certificate programs, as well as graduate programs at the doctoral, masters, specialist and certificate levels. As a land grant institution, we are responsive to workforce demands and provide undergraduate and graduate degree programs in high-need areas such as Engineering, Nursing, Software Engineering and Security, and Teacher Education. In response to societal needs and student demand, we have launched new programs such as a degree in Supply Chain Management, and on-line initiatives in Marketing and Natural Resource Management. Strengthening relationships with communities and tribal organizations occurs through joint research projects and leadership development programs. We also partner with NDUS institutions through articulation agreements in areas such as agriculture and health professions.

As of fall 2021, NDSU student enrollment headcount was 12,461 students.

## EXPLANATION OF PROGRAM COSTS

Salaries and fringe benefits continue to make up the majority of NDSU's expenses, representing approximately 73% of the University's state educational and general fund operating budgets in the most recent fiscal year. At NDSU, in order to achieve and sustain the University's viability, programming and recognition as a leading student focused, land-grant, research university, sufficient funding is required for competitive compensation and start-up packages for faculty and staff, along with the capacity to retain those faculty and staff in a performance-based, market driven environment.

Non-salary operating expenses represent the remaining 27% of the state education and general fund operating expenses. NDSU's continued focus on operational efficiencies allows us to meet extra student demand of both undergraduate and graduate students.

## PERFORMANCE MEASURES:

NDUS has adopted several data systems that help incorporate accountability measures and transparent reporting in accordance with the Board's vision and strategic plan. These data systems, including Dashboards, Predictive Analytic Reporting, Strategic Planning Online, and the State Longitudinal Data System, provide public reports on completion and retention rates, semester-by-semester enrollment, peer comparisons, financial aid and tuition, and much more. Additionally, the publicly-available data available throughout the systems provides real-time data to researchers and decision-makers. These analytical tools complement the system's biennial report on its strategic plan, which incorporates the "flexibility with accountability" expectations created in Senate Bill 2003 passed by the 2001 Legislative Assembly.

# CRITICAL ISSUES

NDSU serves the state and its workforce needs in two primary ways: (1) retaining North Dakota students in the state, recruiting out-of-state students and retraining non-traditionally aged students; and (2) conducting world-class applied research that helps strengthen and diversify North Dakota's economy.

In serving this mission, NDSU's has many strengths including productive faculty, good name recognition, national visibility and an attractive surrounding community. However, numerous critical issues exist which may materially impact NDSU's operations:

1. Enrollment has been steadily declining since 2017, this has resulted in a decrease in student credit hour production under the Higher Education Funding Formula which has resulted in a base budget decrease of $7.5M for the upcoming 2023-25 biennium.

2. Inflationary pressures and workforce competition are affecting NDSU's ability to retain existing faculty, staff and recruiting top talent.

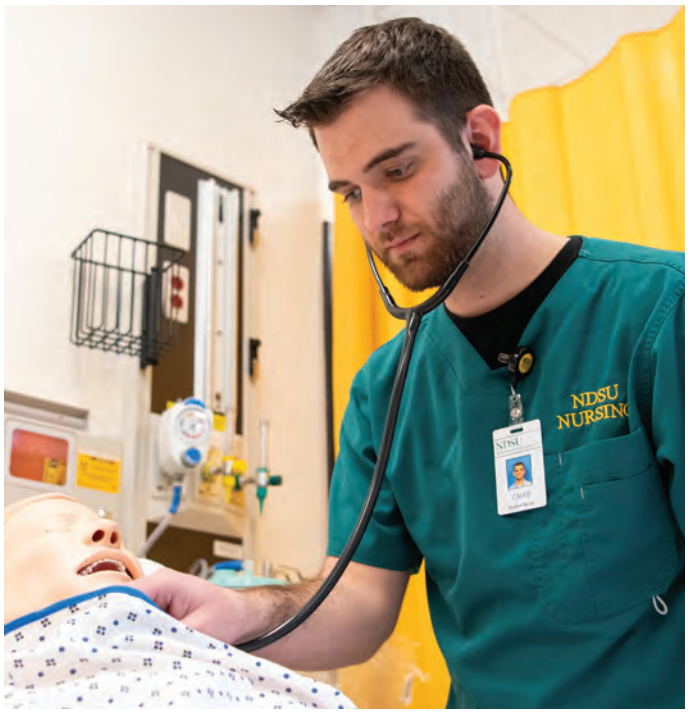
3. Enhanced, modern laboratory and fabrication space for Engineering and AG Engineering key program areas (precision agriculture, cybersecurity, robotics, artificial intelligence, biomedical engineering, environmental engineering) is vital to enroll, retain and graduate students to make them successful on the job when they enter the workforce today and in the future. Modernized facilities will also promote interdisciplinary collaboration for faculty to be productive and advance research opportunities in these vital program areas.

4. Due to increasing competition to apply for federal research grant opportunities, NDSU needs to modernize dated instructional and research lab space, and technology infrastructure to continue to provide experiential education for students as well as prioritize our R-1 Carnegie Classification status in support of our land grant mission to meet the aspirational and economic needs of ND.

   We are requesting ongoing base funding for continued access to high speed research and education network resources with connectivity, maintain cybersecurity control standards, computational research tools and methods to support cybersecurity, artificial intelligence and quantum computing programming efforts.

5. Request modification to the Higher Education Funding Formula to reinstate a base funding minimum amount payable (NDCC 15-18.2-06), this would provide additional time to allow for evaluation and strategic planning for reductions in fixed programmatic and operational costs.

6. Affordability. Request consideration for additional base funding, provided through the HE Funding formula, in an amount to defray salary and operational costs so NDSU does not have to increase tuition for students during 2023-25. As student demographics change, many state markets have changed their strategy to compete for student enrollment and have not increased their tuition rates. This has created a difficult enrollment and pricing environment with future potential reciprocity agreement changes. Additional base funding to support affordable tuition pricing will provide a competitive recruiting advantage and support our land grant mission.



# MAJOR ACCOMPLISHMENTS

1. NDSU helps fulfill the state's workforce needs by enrolling the largest number of face-to-face students of any institution in the NDUS. Each of these students was either a North Dakota resident retained in the state or an out-of-state student recruited to physically come to North Dakota. Not only will these students be the state's next generation of leaders and entrepreneurs, but while they are in college, they (along with their families) provide multiple years of beneficial economic impact for the state by working service jobs, paying rent and other living expenses and having their families visit.

2. NDSU has more graduates in numerous high-demand fields than any other institution in the NDUS including engineering, computer/information science and nursing.

3. NDSU has the highest four- and six-year graduation rates among the four-year institutions in the NDUS.

4. NDSU achieved post-graduation success rates (employment/graduate study) of 92 percent for undergraduate students and 94 percent for graduate students.

5. Among NDSU's recent graduates, 80% who started NDSU as a North Dakota resident were working in North Dakota after graduation and 41% who started NDSU as a Minnesota resident were working in North Dakota after graduation.

6. In 2021, NDSU completed the largest fundraising campaign in school and state history totaling $586.7 million. In addition, the endowment grew from $82 million in 2010 to $457 million in 2021.

7. NDSU completed construction of Sugihara Hall which is a laboratory intensive building with approximately 105,000 square feet. In addition, NDSU started construction of the Peltier Complex, which will support a wide range of research involving food science, meat science, muscle biology, food safety, nutrition, consumer sensory traits and the development of new agricultural products. Designed to meet federal and state food processing and food handling regulations, the center's labs will expand research grant opportunities and partnerships with federal and state agencies.

8. NDSU's athletics program is ranked among the best overall NCAA Division-I programs in the nation. The new Nodak Insurance Football Performance Complex is expected to open in the fall of 2022. The entire cost of the estimated $50 million building project is being privately funded, including a lead gift from Nodak Insurance Company, which was awarded naming rights.

# NDSU AT A GLANCE

**699**
RANKED FACULTY AND LECTURERS

**1,712**
FULL-TIME EMPLOYEES

**12,242**
FALL 2022 ENROLLMENT

## WHAT WE'RE ABOUT

### VISION
To lead the advancement of our land-grant ideals through innovative education, research, and outreach.

### VALUES
NDSU is committed to shared governance, transparency, responsible decision-making, and a sustainable future. Our core values include: collegiality, inclusivity, community, creativity, excellence, impact, innovation, integrity, resilience, responsiveness and transformation.

### GOALS/OBJECTIVES
Provide transformational educational and research opportunities for our students, state and world.

## WHO WE SERVE

### STUDENTS
We're focused to retain/retrain/recruit the next generation of workforce and entrepreneurs.

### THE COMMUNITY
NDSU supports and works with local leaders from the city of Fargo and Chamber of Commerce to contribute and ensure the success of our community.

### STATE OF NORTH DAKOTA
Through workforce development, community and tribal engagement, NDSU fulfills our land grant mission for an educated citizenry.

### THE WORLD
NDSU's research activities lead to the next generation of innovations and knowledge.

## WHAT WE'RE PROUD OF

### STUDENT FOCUSED
High-quality academic programs

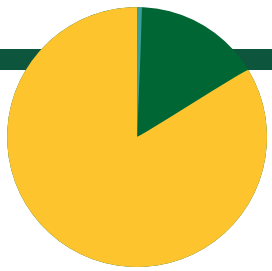
Sustained delivery during the pandemic, students continued to make progress toward degree completion

Innovative learning with face-to-face, online and hyflex delivery.

### LAND GRANT
Faculty and student engagement in state and community service that enhances the public good.

### RESEARCH
World-class faculty researchers, creating public/private partnerships leading to economic diversification and workforce innovation and advancement.

## HOW WE DO IT



## TOTAL AGENCY 2021-23 BUDGET: $1.0B

● GENERAL: $164.1M ● SPECIAL: $839.5M ● ND CARES: $2.1M

## HOW WE MEASURE SUCCESS

### STUDENT SUCCESS

- 3.17 avg NDSU student GPA
- 1,435 degrees awarded 2020-21
- 92% Undergrad career success (2021)
- 94% Graduate career success (2021)

### WORKFORCE DEVELOPMENT

Offer degree programs in 19 of top 20 hard to find jobs in ND.

- Engineering
- Nursing
- Software Engineering
- Security Engineer/ Analyst

### FINANCIAL HEALTH AND STEWARDSHIP

- Aa3 issuer-Moody's Investors Service (Nov 2021)
- AA-/Stable: S&P affirmed (April 2021)
- FY21 Composite Financial Index (CFI) = 5.30

## WHAT WE DO – PROGRAM HIGHLIGHTS

### COLLEGE OF ENGINEERING

Mechanical, Civil, Environmental, Industrial, Biomedical Engineering programs. Computer Science, Cybersecurity, Autonomous systems, Robotics, Software Engineering.

### COLLEGE OF AGRICULTURE, FOOD SYSTEMS, AND NATURAL RESOURCES

Animal Science, Agribusiness, Ag Econ, Plant Science, Crop and Weed Science, Vet Tech, Microbiology.

### COLLEGE OF BUSINESS

Business Admin, Marketing, Finance, Accounting Management Info Systems, MBA, Transportation and Logistics, Supply Chain Management.

### COLLEGE OF SCIENCE AND MATHEMATICS

Biological Sciences, Psychology, Biochemistry and Molecular Biology, Chemistry, Statistics, Geology, Mathematics.

### COLLEGE OF HEALTH PROFESSIONS

Pharmacy, Pharmaceutical Sciences, Pharmacy Practice, Nursing, Allied Health, Public Health.

### COLLEGE OF ARTS, HUMANITIES AND SOCIAL SCIENCES

Architecture, Landscape Architecture, Fine Arts, Political Science, Criminal Justice, History, English, Emergency Management, Communication.

### COLLEGE OF HUMAN SCIENCES AND EDUCATION

Teacher Education and Educational Leadership, Counselor Education, Sport Management, Human Development and Family Science, Interior Design, Exercise Science, Apparel, Retail Merchandising and Design.

# FALL 2022 ENROLLMENT

| | Undergraduate | Professional | Graduate | Grand Total |
|---|---|---|---|---|
| **NORTH DAKOTA** | **4,248** | **118** | **948** | **5,314** |
| Cass | 2,204 | 65 | 704 | 2,973 |
| Burleigh | 558 | 16 | 52 | 626 |
| Morton | 134 | 3 | 15 | 152 |
| Ward | 126 | 1 | 15 | 142 |
| Grand Forks | 121 | 6 | 19 | 146 |
| Richland | 108 | 2 | 14 | 124 |
| Stutsman | 82 | | 8 | 90 |
| Stark | 76 | | 10 | 86 |
| Traill | 66 | 2 | 3 | 71 |
| Walsh | 57 | 3 | 5 | 65 |
| Barnes | 55 | 2 | 8 | 65 |
| Williams | 50 | 3 | 9 | 62 |
| Mercer | 35 | | 3 | 38 |
| Dickey | 32 | 1 | 4 | 37 |
| Ransom | 31 | | 3 | 34 |
| Sargent | 30 | | 2 | 32 |
| Lamoure | 29 | 2 | 2 | 33 |
| McLean | 28 | 1 | 2 | 31 |
| Emmons | 25 | | 8 | 33 |
| Ramsey | 25 | 2 | 13 | 40 |
| McHenry | 23 | 1 | 2 | 26 |
| McKenzie | 23 | | 4 | 27 |
| Pierce | 22 | 1 | | 23 |
| Foster | 21 | 1 | 2 | 24 |
| Bowman | 20 | | 2 | 22 |
| Wells | 20 | | 1 | 21 |
| Pembina | 20 | | 3 | 23 |
| Mountrail | 19 | 1 | 4 | 24 |
| Bottineau | 18 | 1 | 5 | 24 |
| Benson | 17 | | 4 | 21 |
| Rolette | 17 | | 2 | 19 |
| McIntosh | 16 | 1 | 3 | 20 |
| Cavalier | 15 | 1 | 1 | 17 |
| Eddy | 14 | | 2 | 16 |
| Hettinger | 12 | | 1 | 13 |
| Renville | 12 | | 1 | 13 |
| Nelson | 10 | | 2 | 12 |
| Grant | 9 | | | 9 |
| Steele | 7 | | 3 | 10 |
| Griggs | 7 | 1 | | 8 |
| Kidder | 7 | | 1 | 8 |
| Oliver | 6 | | 1 | 7 |
| Adams | 6 | | 1 | 7 |
| Dunn | 5 | | | 5 |
| Golden Valley | 5 | | | 5 |
| Logan | 5 | | | 5 |
| Burke | 4 | | | 4 |
| Towner | 4 | | 1 | 5 |
| Sioux | 4 | | 1 | 5 |
| Divide | 4 | 1 | | 5 |
| Billings | 2 | | | 2 |
| Sheridan | 2 | | 1 | 3 |
| Slope | | | 1 | 1 |
| **MINNESOTA** | **5,018** | **111** | **333** | **5,462** |
| **OTHER** | **830** | **15** | **621** | **1,466** |
| **TOTAL** | **10,096** | **244** | **1,902** | **12,242** |

# PERFORMANCE INDICATORS

| RETENTION | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|---|
| First-year retention | 78.90% | 78.90% | 82.00% | 76.10% | 75.20% |
| Second-year retention | 71.35% | 71.05% | 72.09% | 71.10% | 68.80% |
| | | | | | |
| 4 year graduation rate | 37.80% | 41.22% | 43.27% | 44.70% | 46.30% |
| 6 year graduation rate | 57.60% | 60.32% | 62.33% | 64.90% | 63.20% |
| | | | | | |
| | | | | | |
| **OTHER INDICATORS** | **2018-19** | **2019-20** | **2020-21** | **2021-22** | **2022-23** |
| Student-faculty ratio | 19:1 | 18:1 | 19:1 | 18:1 | |
| Percentage of first-year students taking at least 15 credits | 83% | 81% | 71% | 73% | 65% |

# NDSU RESEARCH OVERVIEW

THE NATIONAL SCIENCE FOUNDATION RANKED NDSU 97 AMONG ALL PUBLIC INSTITUTIONS, 139 AMONG ALL INSTITUTIONS AND 108 AMONG NON-MEDICAL SCHOOLS.

## TOP 100
### NSF RANKING

For FY20, NDSU is listed in the top 100 research universities in the U.S. in these categories:

- Agricultural Sciences
- Business Management and Business
- Communications
- Natural Resources and Conservation Sciences
- Social Sciences
- Sociology, Demography, and Population Studies
- Visual and Performing Arts
- Material Science
- Industrial Engineering
- Ag Engineering

## 1,262
### PROPOSALS

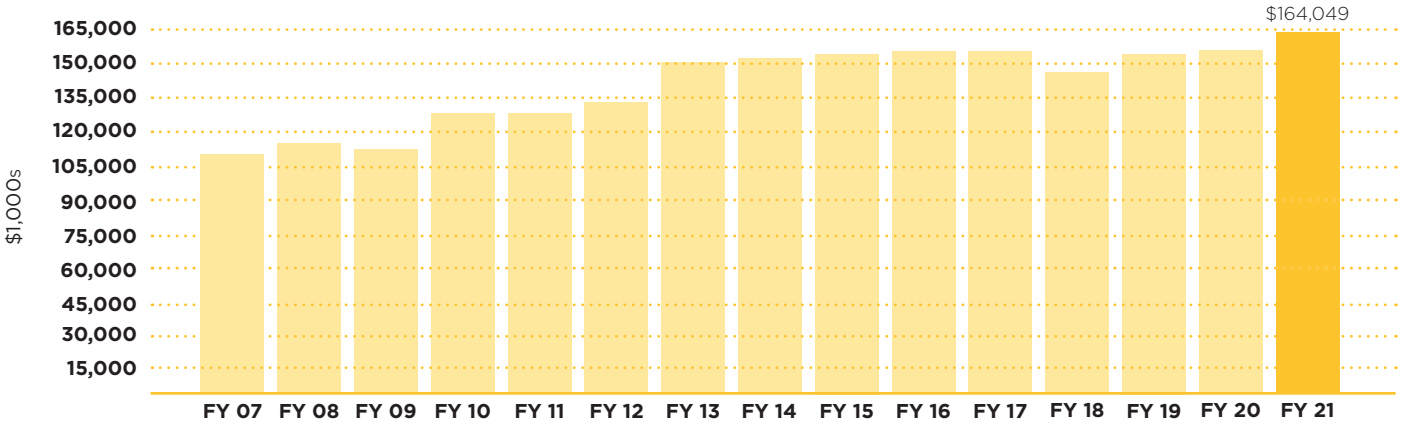
**FY21 PROPOSALS PROCESSED THROUGH SPONSORED PROGRAMS ADMINISTRATION**

| | |
|---|---|
| Private sector | 69 |
| Commodity Groups | 289 |
| Federal agencies | 526 |
| Foundations | 214 |
| Other | 5 |
| Other Governmental Offices | 29 |
| State/Local | 130 |
| **TOTAL** | **1,262** |

# NDSU RESEARCH ACCOMPLISHMENTS

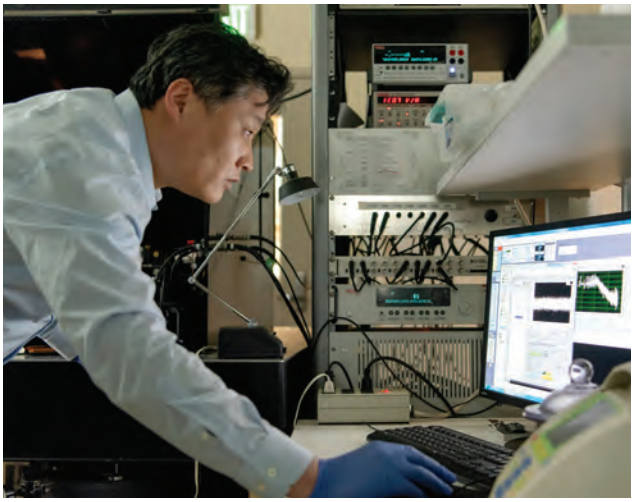
## GROWTH OF NDSU RESEARCH AND DEVELOPMENT EXPENDITURES

MORE THAN $2.425 BILLION IN RESEARCH EXPENDITURES SINCE FY2004; $164 MILLION IN FY2021




**Source:** National Science Foundation Higher Education Research & Development Survey

# RESEARCH FOUNDATION ACCOMPLISHMENTS



**380+**

MORE THAN 380 TECHNOLOGIES UNDER MANAGEMENT

**25+**

AVERAGING MORE THAN 27 POTENTIAL IP WORTHY INVENTION DISCLOSURES PER YEAR IN FY21 AND FY22

**92**

92 TOTAL ISSUED PATENTS
- 60 U.S. ISSUED PATENTS
- 2 U.S. ISSUED PLANT PATENTS
- 39 PENDING PATENT APPLICATIONS
- 37 PENDING PATENT APPLICATIONS

**91**

91 ACTIVE US PVP ISSUED
(includes varieties that are no longer commercially available)
72 ACTIVE US PVP ISSUED
(commercially available varieties)

24 ACTIVE FOREIGN PBR ISSUED
34 ACTIVE US TM ISSUED
20 ACTIVE FOREIGN TM ISSUED

PENDING US PVP = 9
PENDING FOREIGN PBR = 5

**$3.1M**

$3.1+ MILLION IN LICENSING REVENUE FROM NDSU IP IN FY21 AND FY22

# RESEARCH CORPORATE PARTNERS

## CORPORATE PARTNERS ENGAGED IN RESEARCH WITH NDSU THROUGH SPONSORED RESEARCH, CAPSTONE PROJECTS AND THE CENTER FOR BIOPLASTICS AND BIOCOMPOSITES IN FY21 AND FY22

3M
Action Fabricating
Adams County Development Corporation
Adaptive Surface Technologies, Inc
ADM
Adventium Labs
Agri Industries Inc.
Akzo Nobel Coatings Inc.
Amazon
American Crystal Sugar Company
American Simmental Association
Applied Technologies Group, Inc
Architecture Technology Corp.
Ardent Mills
AURI
Avery Dennison
BASF Corporation
Bayer Crop Science
Benson Hill Biosystem
BioConsortia, Inc
Biogemma USA Corp
Bioplastics Magazine
Bioscience Association of North Dakota
Blue Cross Blue Shield ND
BNI Energy, LTD.
Boehringer-Ingleheim
Border States Electric
Bobcat Company
Branson Ultrasonics
Brewers Association, Inc.
BTD Manufacturing
Bushel, Inc
Cargill Inc.
Ceres Imaging, Inc.
Chase Steel Services
CHS, Inc.
Clam Outdoors
Clark Equipment Company
CNH Industries
Corteva Agriscience
Coteau Properties Company
Cotton Incorporated
Coyote Creek Mining Company, LLC
Dakota Fiber
Door Stud LLC
Eastman Chemical Company
Elinor Specialty Coatings
Ellingson Companies
eScience & Technology Solutions, Inc.
Evolve Golf
Evonik
Falkirk Mining Company
FargoRate LLC
Farm Credit Services of North Dakota
FAST Global Solutions
Felling Trailers
Ford Motor Company
Fortus Medical
Futamura
GA Group
Garlock Equipment Company
GC Innovation
Great Big Kid Toys
Greater ND Chamber of Commerce
Green Dot Bioplastics
GreenLight Biosciences, Inc.
Hercon Environmental Inc
Horizon Resources
Horn Plastics
Hyundai
Idaho Forest Group Timber LLC
Indigo Agriculture, Inc.
Inwerken AG
iWALKFree, Inc.
J.R. Simplot Company
John Deere & Company
KFH Group
Kimberly-Clark Corporation
Kinesio Taping Association International
Koch Ag & Energy LP
KWS Seeds, LLC
Lignite Energy Council
Longboard Power LLC
M-Base
Macaulay-Brown Inc.
Marvin
Massman Automation Designs, LLC
Meadowlark
Medtronic
Merck Sharp & Dohme LLC
Mid-American Athletic Trainers' Assn
Minn-Dak Growers Ltd
Monsanto Co.
Native American Fiber Program
NatureWorks LLC
Nau Country
ND Corn Council
ND Insurance Reserve Fund
ND Pharmacy Service Corporation
Noridian Healthcare Solutions
Northern Plains Railroad
Northern Plains Sustainable Ag Society
Northwest Green Chemistry
Nuseed
ONEOK, Inc.
OpREMS LLC
Pedigree Technologies LLC
PepsiCo. Inc.
Pioneer Hi-Bred International Inc.
Plain Sight Innovations LLC
Powder Coating Research Group
PPG Industries
Precision Food Equipment, LLC
Premier 1 Supplies
PRx Performance LLC
Purina Mills
Resource Systems Group
RheTech
RWDC
Sanford Health
Scheels Information Services
Shaw
Sherwin Williams
Sheyenne Tooling & Manufacturing
Southpointe Pharmacy
Syngenta Crop Protection Inc.
Synoptic Data Corp.
Tesoro Logistics Operations LLC
toXcel
Triton Systems, Inc.
TSR Parts
UNFI United Natural Foods, Inc
UPL NA Inc.
Valent BioSciences LLC
Valent USA
Valley Fiber Processing Inc.
Verdesian Life Sciences
WCCO Belting
Western Cooperative Credit Union
Western Dakota Energy Association
Westrock
Williams County Ag Improvement Association
Winfield United
Zymergen, Inc.

# Final Enrollment of SB2003

| | |
|---|---|
| **2019-21 Adjusted General Fund Appropriation** | **$ 132,714,983** |
| **Base adjustments:** | |
| 1/ Funding formula: Credit Hour completion adjustment | (29,096) |
| 2/ Funding formula adjustments | 3,763,288 |
| 3/ 2021-23 Salary increase 1.5% / 2.0% | 2,083,656 |
| 4/ 2021-23 Health insurance increases | 23,494 |
| 5/ Other Adjustment: Legal Settlement | 125,000 |
| **One-time adjustments:** | |
| 5/ Other Adjustment: Legal Settlement | (125,000) |
| **Total Base and One-time Adjustments** | 5,841,342 |
| **2021-23 Total General Funds-Base, One-time** | **$ 138,556,325** |
| | *4.4%* |

1/ Student Credit Hour production change

2/ HE Funding model adjustments; per Interim HE Committee recommendation

3/4 Salary compensation and health insurance amounts reflect General Fund amounts only.
5/ Other adjustment for Legal Settlement

**Other 67th Legislative Assembly approval:**

| Capital Building Fund/Extraordinary repair tier matching funds | NDSU | Capital Bldg Fund |
|---|---|---|
| Tier I: Extraordinary Repairs ($2,732,244 base + 2:1 match) | $ 8,196,732 | |
| Tier II: Capital Building Fund (1:1 match) | $ 2,899,596 | $ 2,899,596 |
| Tier III: Capital Building Fund (2 NDSU : 1 Capital Bldg match) | $ 4,500,000 | $ 2,250,000 |

**Agricultural Product Development Center authorization $85m**

State Bonds $50m
General Funds $20m
Other Funds $15m

# ADDITIONAL ITEMS

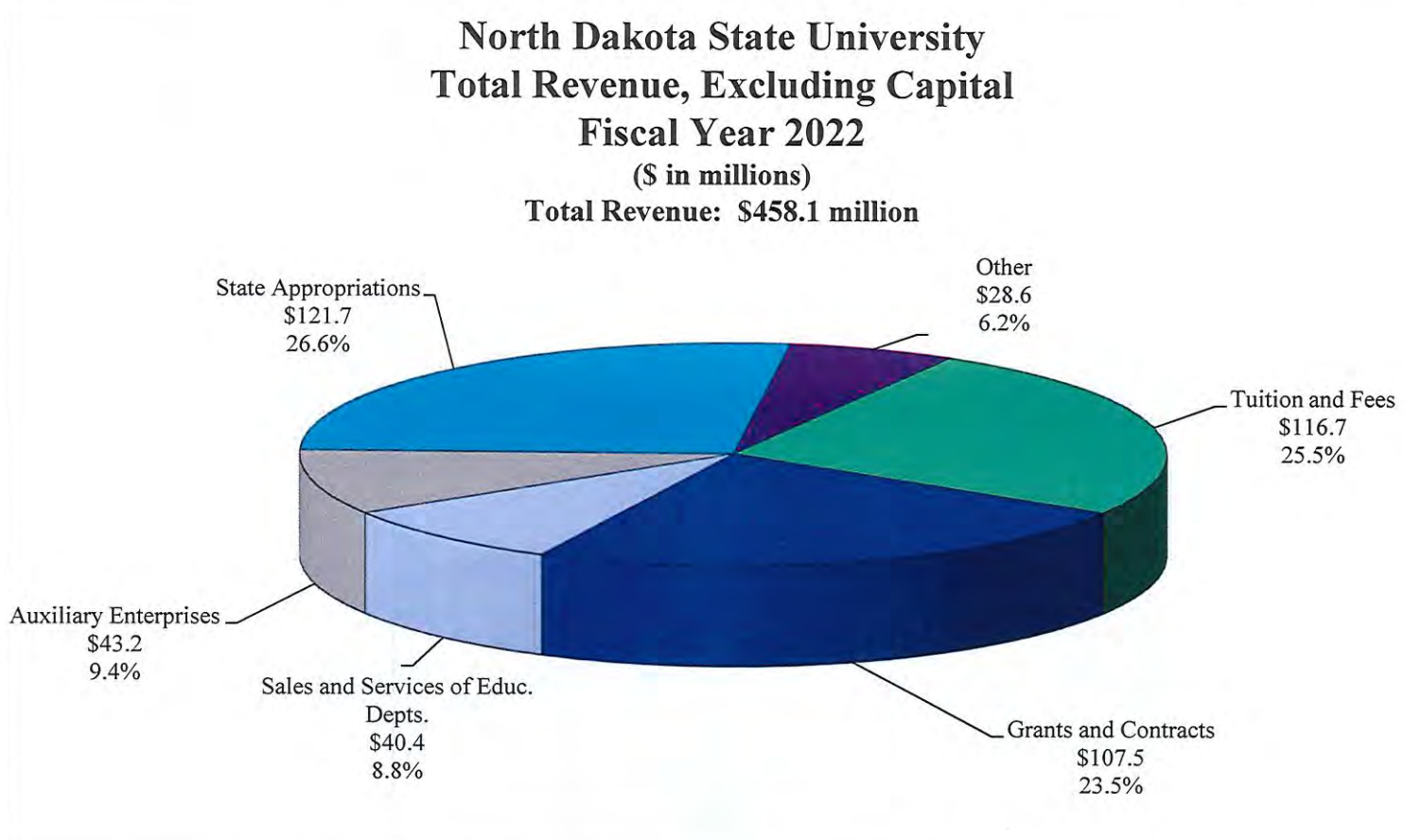
**2021-23 ONE-TIME FUNDING ITEMS (SB2003):**

As outlined in SB2003, Section 2; NDSU received $125,000 in one-time funding which was authorized for the A. Glenn Hill Center settlement agreement. The amount authorized by the 66th Legislative Assembly was remitted (7/22/2021) as per the SBHE approved settlement agreement to the general contractor, Roers Construction.

**FEDERAL STATE FISCAL RECOVERY FUNDING (SB2345):**

During the November 2021 special legislative session, NDSU was appropriated $1,600,000. These funds were provided for computational research (high performance computing). As of November 30, 2022, $898,294 has been expended, $499,268 has been encumbered and the remaining amount has been committed. The funds will provide additional network storage for researchers, off site storage and backup, replace data center infrastructure, provide more compute power and supporting infrastructure such as high-speed network interconnect between compute nodes within the data center.

NDSU has no audit findings to report.
NDSU's change in FTE is due to increased grant and contracts activity.

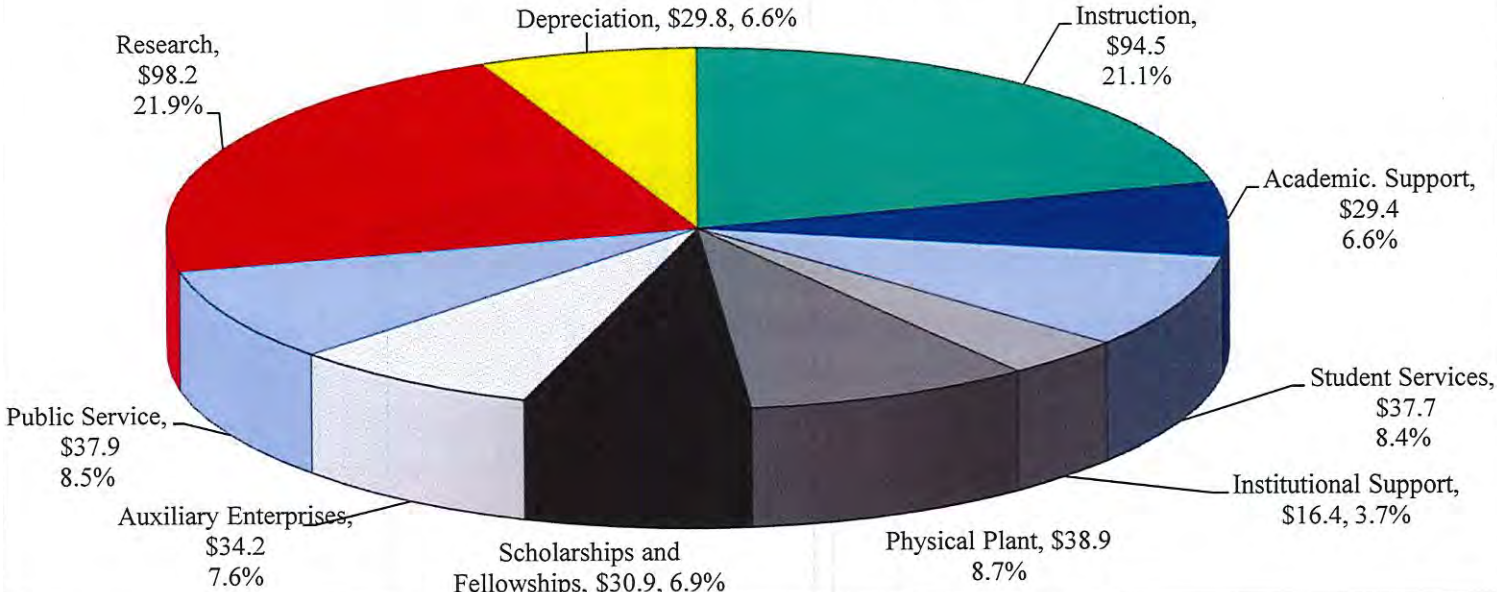



Source: Audited NDUS Financial Statements, June 30, 2022

Auxiliary Enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing.

Sales and Services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are advertising in campus publications, fees for conferences organized by the institution and ticket sales for campus theatrical and musical events.

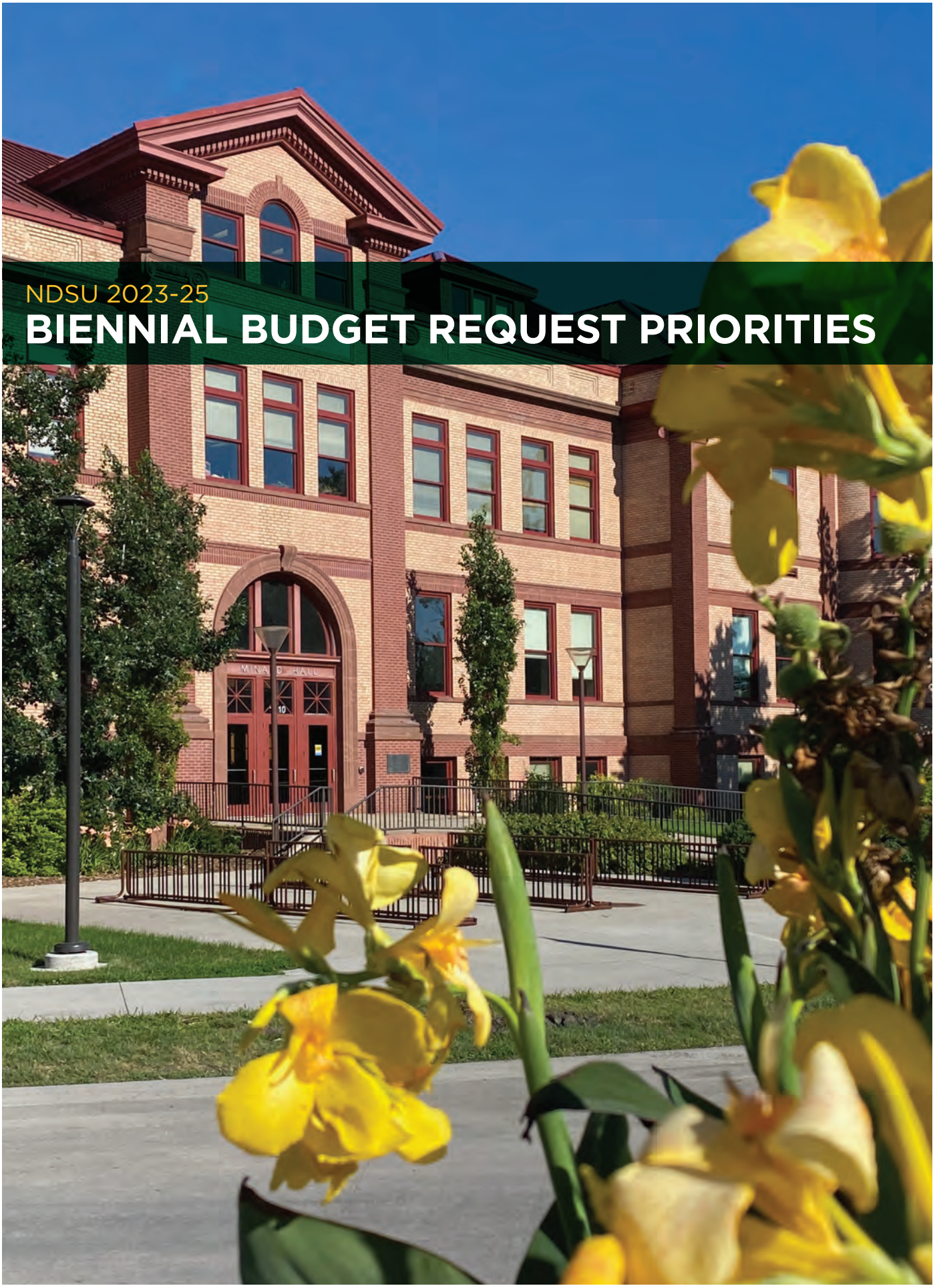
**North Dakota State University**
**Operating Expenses by Function**
**(excluding capital items and other nonoperating expenses)**
**Fiscal Year 2022**
**(in millions)**
**Total Operating Expenses: $447.9 million**




Source: Audited NDUS Financial Statements, June 30, 2022

The **instructional function** includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. **Academic support** includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. **Student services** include offices that provide a specific service to students, including career services, registration, admission and counseling. **Institutional support** includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The **physical plant function** includes upkeep, maintenance and utilities for campus facilities. **Scholarships and fellowships** include aid provided to students. **Auxiliary enterprises** are the self-supporting activities of the campuses, such as bookstore, food service and housing. **Depreciation** represents the non-cash expense of capitalized assets over time. **Public service** includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The **Research function** is activities specifically organized to produce research.

| Conference Committee Final Version | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| HB1003 Capital Building Fund | | | | | | | | | | |
| Tier I 2:1 match; Tier II 1:1 match; Tier III 2:1 match - No Tuition Component | | | | | | | | | | |
| Total Capital Fund = $80.3 million | | | | | | | | | | |
| Tier I - Extraordinary Repairs | | | | Tier II - Capital Building Fund | | | Tier III - Capital Building Fund | | | |
| Institution | Base Funding Formula allocated to Extraordinary Repairs (General Funds) | 2 for 1 Institution Match (Special Funds) | Tier I Appropriation & Required Match | Institution Match at 1 to 1 (Special Funds) | $10M State Funds | Tier II Totals | State Funds | 2 for 1 Match | Tier III Totals | Totals |
| BSC | 417,673 | 835,346 | 1,253,019 | 425,693 | 425,693 | 851,386 | 500,000 | 1,000,000 | 1,500,000 | 3,604,405 |
| DCB | 114,007 | 228,014 | 342,021 | 106,064 | 106,064 | 212,128 | 500,000 | 1,000,000 | 1,500,000 | 2,054,149 |
| LRSC | 155,367 | 310,734 | 466,101 | 177,375 | 177,375 | 354,750 | 500,000 | 1,000,000 | 1,500,000 | 2,320,851 |
| NDSCS | 1,012,379 | 2,024,758 | 3,037,137 | 500,695 | 500,695 | 1,001,390 | 500,000 | 1,000,000 | 1,500,000 | 5,538,527 |
| WSC | 197,801 | 395,602 | 593,403 | 137,947 | 137,947 | 275,894 | 500,000 | 1,000,000 | 1,500,000 | 2,369,297 |
| DSU | 409,078 | 818,156 | 1,227,234 | 268,862 | 268,862 | 537,724 | 500,000 | 1,000,000 | 1,500,000 | 3,264,958 |
| MASU | 358,992 | 717,984 | 1,076,976 | 240,029 | 240,029 | 480,058 | 500,000 | 1,000,000 | 1,500,000 | 3,057,034 |
| MISU | 899,620 | 1,799,240 | 2,698,860 | 572,801 | 572,801 | 1,145,602 | 500,000 | 1,000,000 | 1,500,000 | 5,344,462 |
| VCSU | 408,319 | 816,638 | 1,224,957 | 309,137 | 309,137 | 618,274 | 500,000 | 1,000,000 | 1,500,000 | 3,343,231 |
| NDSU | 2,732,244 | 5,464,488 | 8,196,732 | 2,899,596 | 2,899,596 | 5,799,192 | 2,250,000 | 4,500,000 | 6,750,000 | 20,745,924 |
| UND | 4,411,566 | 8,823,132 | 13,234,698 | 4,361,801 | 4,361,801 | 8,723,602 | 2,250,000 | 4,500,000 | 6,750,000 | 28,708,300 |
| TOTAL | **11,117,046** | **22,234,092** | **33,351,138** | **10,000,000** | **10,000,000** | **20,000,000** | **9,000,000** | **18,000,000** | **27,000,000** | **80,351,138** |



NDSU 2023-25

# BIENNIAL BUDGET REQUEST PRIORITIES

# 2023-25 BIENNIAL BUDGET REQUEST PRIORITIES

## NDSU HAS PREPARED A NEEDS-BASED BUDGET, AS APPROVED AND DIRECTED BY THE ND STATE BOARD OF HIGHER EDUCATION ALONG WITH OTHER PRIORITIES FOR CONSIDERATION.

| PRIORITIES REQUEST | REQUEST |
|---|---|
| **1. HE Funding Formula: Minimum amount payable (Hold Harmless)** | **$2,054,479 - $7,591,732** |

- *Permanent restoration of the minimum amount payable NDCC15-18.2-06; slows funding decreases as credit production drops. Provides additional time for strategic planning and efficient reduction of fixed operational costs.*

**2. HE Funding Formula: Inflationary increase adjustment**

- *Provide a permanent salary increase adjustment for the student share of 2023-25 compensation package increase. College affordability is a significant factor in recruiting ND students and recruiting out-of-state students.*
- *Provide permanent operating increase adjustment from general funds*

**3. IT Network Infrastructure** **$3,201,100**

- *Request for base general funds for including network infrastructure funding, research and education network resources for Internet2 connectivity, Computational Research, Cybersecurity Maturity Model Certification (CMMC).*

**4. Behavioral Health Initiative** **$1,100,000**

- *Provides for additional services, to meet the student demand for outreach and prevention efforts to ensure the well-being for campus students.*

### CAPITAL PROJECT REQUEST

**1. Priority — Engineering Project** **$111,600,000**

- General Funds: $83,700,000
- Special Funds: $27,900,000

### CAPITAL PROJECT AUTHORIZATION REQUEST – SPECIAL FUNDS

| | |
|---|---|
| **Music Building Addition/Renovation** | **$20,000,000** |
| **Sudro Hall Small Animal Research Facility Expansion and Renovation** | **$3,000,000** |

### ADDITIONAL PRIORITIES:

- Challenge Grant funding — increased pool amount, providing equal amounts to NDSU, UND.
- Capital Building Fund eliminate the proposed revisions by the Interim HE Committee — for private funding match (30%), continue to allow use for academic and auxiliary type buildings with Tier funds.
- Legacy Fund Research Initiative —to create permanent research funding to advance competitive initiatives.

# NORTH DAKOTA UNIVERSITY SYSTEM
# 2019 - 2021 COMPLETED STUDENT CREDIT HOUR REPORT SUMMARY AND FINAL 2023-25 ESTIMATED INCR (DECR) IN BASE FUNDING

| Institution | 2019-21 Completed Student Credit Hrs (SCH) | 2019-21 Adjusted Weighted SCH | 2021-23 Base Funding per Credit Hour | Adjustment | Est 2023-25 Base | 2021-23 Total Base Funding | Prelim Estimated Incr (Decr) Base Funding | Percentage Increase (Decrease) | 2023-25 Adjustment for 96% Min. Amt. Payable | 2023-25 Funding Formula (includes Adjustment for Min. Amt. Pay) | 2023-25 Total Funding Forumla Increase (Decrease) | Percentage Increase (Decrease) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 316,931 | $98.84 | $(101,618.00) | $31,223,842 | $32,084,055 | $(860,213) | -2.68% | | 31,223,842 | (860,213) | -2.68% |
| DCB | 31,746 | 100,836 | $98.84 | $- | $9,966,630 | $9,537,862 | $428,768 | 4.50% | | 9,966,630 | 428,768 | 4.50% |
| LRSC | 54,480 | 132,380 | $98.84 | $- | $13,084,439 | $14,242,152 | $(1,157,713) | -8.13% | 588,027 | 13,672,466 | (569,686) | -4.00% |
| NDSCS | 106,401 | 317,625 | $98.84 | $- | $31,394,055 | $35,714,792 | $(4,320,737) | -12.10% | 2,892,145 | 34,286,200 | (1,428,592) | -4.00% |
| WSC | 37,801 | 115,583 | $98.84 | $- | $11,424,224 | $11,286,737 | $137,487 | 1.22% | | 11,424,224 | 137,487 | 1.22% |
| DSU | 60,000 | 229,391 | $92.60 | $- | $21,241,607 | $20,242,730 | $998,877 | 4.93% | | 21,241,607 | 998,877 | 4.93% |
| MASU | 47,249 | 209,125 | $92.60 | $- | $19,364,975 | $18,679,828 | $685,147 | 3.67% | | 19,364,975 | 685,147 | 3.67% |
| MISU | 128,850 | 421,203 | $92.60 | $- | $39,003,398 | $41,206,630 | $(2,203,232) | -5.35% | 554,967 | 39,558,365 | (1,648,265) | -4.00% |
| VCSU ** | 67,531 | 266,115 | $92.60 | $- | $24,642,249 | $24,161,377 | $480,872 | 1.99% | 24,642,249 | 480,872 | 1.99% | |
| **NDSU** | **629,828** | **2,116,803** | **$61.81** | **$-** | **$130,839,593** | **$138,431,325** | **$(7,591,732)** | **-5.48%** | **2,054,479** | **132,894,072** | **(5,537,253)** | **-4.00%** |
| UND | 630,113 | 3,375,173 | $61.81 | $- | $149,310,794 | $150,927,126 | $(1,616,332) | -1.07% | | 149,310,794 | (1,616,332) | 0.12% |
| UND SMHS | | | | | $59,308,649 | $57,446,808 | $1,861,841 | 3.24% | | 59,308,649 | 1,861,841 | |
| UND SMHS-HWI | | | | | $10,676,150 | $10,676,150 | $- | 0.00 | | 10,676,150 | - | |
| **Institution Total** | **1,933,376** | **7,601,165** | | | **$551,480,605** | **$564,637,572** | **$(13,156,967)** | **-2.33%** | **6,089,618** | **546,894,073** | **(7,067,349)** | |

# PRIORITIES

## MINIMUM AMOUNT PAYABLE $2,054,479

Request to restore NDCC 15-18.2-06, to provide a minimum amount payable of the previous biennium funding. By restoring this section of the code provides additional time for strategic planning and efficient reduction of fixed operational costs. Increased tuition costs for students may result when institutions need to implement cost reductions without time to evaluate the most effective and efficient strategy.

## INFLATIONARY INCREASE ADJUSTMENT

College affordability is a significant factor in student access, retention and completion. Tuition and fee rates are a major component of affordability. Any tuition increase, particularly in the current economy, could prohibit students from obtaining the education needed to join the ND workforce.

If funded, this request would replace the need to increase annual tuition (2-year tuition freeze) for an approximate 65% of the approved compensation package. NDSU is requesting general funds for the student share of the legislatively approved compensation package increase.

To assist with retention of faculty and staff increased salaries due to job market (locally and nationally) pressures on wages. And address the loss of purchasing power due to local and national inflationary effects on operating budgets.

NDSU looks forward to working with the Governor and Legislative Assembly to address inflation as part of a statewide plan, request consideration of an increase in the funding formula per credit hour rate for the university system institutions.

## IT NETWORK INFRASTRUCTURE $3,201,100

We are requesting base funding for ongoing research efforts and network infrastructure including continued access to high speed research and education network resources with connectivity, maintain cybersecurity control standards, computational research tools and methods to support cybersecurity, artificial intelligence and quantum computing programming efforts.

- Northern Tier Network-Internet2 Connectivity $650,000
  An independent network that serves research and educational institutions. This network provides direct, and high-speed access to collaborators and government laboratories across the nation that is essential to successful research operations within the state.

- Computational Research $1,551,100
  Hiring experts to support faculty research on existing cutting-edge computational resources, so that most research disciplines can effectively utilize resources available. A small portion of the base funding will be used to support regular maintenance operations on the equipment.

- Cybersecurity Maturity Model Certification (CMMC) $1,000,000
  CMMC is a set of security standards issued by the Department of Defense (DoD) intended to protect Controlled Unclassified Information, which constitutes most information associated with or produced by DoD grants and contracts. The vast majority of DoD grants and contracts in the future will require CMMC level 2 certification.

To meet this requirement, NDSU will be required to implement new infrastructure for desktops, servers, networks, and other information services. Funds will cover additional staffing, equipment, and licensing.

## BEHAVIORAL HEALTH INITIATIVE $1,100,000

This initiative will provide for additional counseling, disability and care team staff in support of outreach and prevention efforts to ensure the well-being of campus students. Request four FTE's $1,025,000 (estimated salary and benefits) and $75,000 operating funds.

- One 12-month provider
- One 12-month Disability Specialist Position
- One 10-month Nurse Practitioner for prescribing and medication management
- One 12-month Case Manager for students on Care Team

Additional operating funds to assist with professional development/training (required), educational programming, intern/trainee stipends, software.

# REQUEST: ENGINEERING PROJECT

**NDSU PRIORITY #1**
**TOTAL PROJECT ESTIMATED COST: $111,600,000**
**STATE GENERAL FUNDS: $83,700,000 (75%) SPECIAL FUNDS: $27,900,000 (25%)**
**BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3:** PED: 15% DMP:70% LSS: 15%

NDSU seeks to meet North Dakota's workforce needs by recruiting and educating future generations of leaders in engineering, innovation, and entrepreneurship.

NDSU is the land grant university for North Dakota, and this heritage continues to be at the core of our mission. Originally signed into law by Abraham Lincoln, the Morrill Act created land grant universities to provide agricultural and engineering research and education throughout the country. Guided by this spirit, NDSU has been the state's leading provider of engineering research and education for more than 100 years.

The innovative and entrepreneurial ability of our graduates has led to technological revolutions in agriculture, energy, and infrastructure that have resulted in one of the strongest economies in the nation.

NDSU provides in-person, interdisciplinary hands-on education to thousands of engineering students annually, contributing to the workforce needs of North Dakota. Industry leaders demand talent that learns in face-to-face collaborative environments. Online students account for less than 1% of enrollment in engineering and computer science programs at NDSU.

We seek growth in the following areas of high economic impact to the state, region, and world:

- **Precision agriculture and autonomous systems**
  Designing the farm of the future that will improve the efficiency of food production for a growing global population.
- **Energy stewardship**
  Harnessing our abundant resources in a manner that promotes the responsible and efficient generation, conversion, distribution, and storage of power and energy.
- **Computer science, cybersecurity, and artificial intelligence**
  Providing advanced technological solutions for safety and security in a world that is becoming more driven by autonomous systems and marketplaces.
- **Entrepreneurship and commercialization of new technology**
  Accelerating research to move innovative ideas from the lab into technology start-ups with solutions that benefit society.

A new engineering facility has been a capital project priority of NDSU since 2014, driven by increasing demands for graduates across the state and upper Midwest. Existing facilities are inadequate to meet the current and future workforce demands of the state. Laboratories are small, overcrowded, and oversubscribed for multiple purposes, resulting in safety concerns and inefficient utilization. Programs are spread out across campus, stifling collaboration in various disciplines. Student workspace is in short supply, limiting the design/build/test educational philosophy that we cultivate in our programs as demanded by our industry partners. We currently are at a serious disadvantage in attracting and retaining students who are needed to support workforce demands in high growth areas that have a critical economic impact on the state.

The space shortage has recently become more acute with the necessity to demolish the Agricultural and Biosystems Engineering Building due to safety issues, rising deferred maintenance costs, and accessibility limitations. This will create an even greater shortage of space for students and faculty working in the precision agriculture sector, an area of great importance to the state.

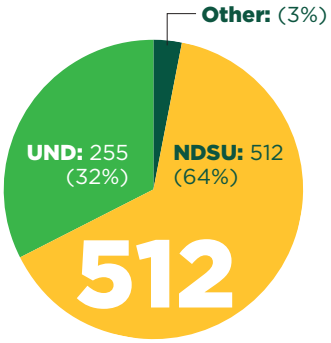
Accreditation visits as far back as 2012 have listed facilities as a concern, noting that limited space and overcrowded laboratories may limit the quality and capacity of our educational programs.

**Opportunities provided by innovative new learning space:**

- Collaborative learning spaces allow students to work together in multidisciplinary, team-based, face-to-face environments.
- Hands-on fabrication facilities and equipment for prototyping and testing products, devices, and systems.
- Modern educational laboratories with state-of-the-art testing facilities allow students to simulate real-world conditions using industry-standard equipment.
- Digital fabrication laboratories for rapid prototyping of engineering designs.
- Virtual reality studios allow students to simulate and test large-scale system designs in real time.
- Research facilities to expand our experimental capabilities in precision agriculture, autonomous systems, energy stewardship, cybersecurity, advanced materials, biomedical devices, among others. Dedicated research laboratories are needed to allow our faculty to remain competitive in attracting state, federal, and industry funding.
- A Center for Engineering Entrepreneurship and Innovation, highlighted by a technology acceleration center, will assist students and faculty to cultivate new ideas and facilitate commercialization of ideas into workable solutions and products for introduction into the marketplace. This center will help build new product development capacity and stimulate high-technology economic development in the state.

**5,800**

Job openings (in ND) requiring
College of Engineering degrees (2022)




Engineering and Computer Science
Graduates (2022)

**80%**

NDSU graduates from
North Dakota who stay in
North Dakota for their first job

**41%**

NDSU graduates from Minnesota
who stay in North Dakota
for their first job

# REQUEST FOR AUTHORIZATION: MUSIC BUILDING ADDITION/RENOVATION

**TOTAL PROJECT: $20,000,000**
**PRIVATE DONATIONS: $18,000,000**
**DEFERRED MAINTENANCE MATCHING FUNDS: $2,000,000**
**BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3:** PED: 85% DMP: 10% LSS: 5%

## MASTER PLAN ALIGNMENT

Over the past 18 years, the Challey School of Music has become the destination program for music training in our region, offering degrees from bachelors through doctorates, serving a population of about 160 music majors. It provides the region with outstanding K-12 music teachers and the nation's universities with excellent professors in performance and conducting. While several of our regional competitors' music programs have diminished in size and scope, the Challey School of Music has grown, quadrupling the number of majors and greatly expanding the breadth of programs. Hundreds of students, faculty, and staff utilize the Reineke Fine Arts Center each day, and thousands of people attend campus and community events in the performance spaces each year.

The School and its continued growth are vital to the region and the nation because of these things; however, adequate space for rehearsals, classrooms, technology, and performances are a major challenge impeding this progress.

## SCOPE OF WORK

Music building is a 96,886 square-foot building that was constructed in 1982. While the overall building is in good shape, many of the spaces lack adequate acoustical characteristics that are essential to the program. The building is deficient in other areas, as well:

- The band room is too small to hold the entire marching band simultaneously.
- Rehearsal spaces are inadequate in both size and quantity.
- Graduate student spaces, not previously designed in the original building, are in high demand.

This project will create an addition for spaces that aren't feasible in the current building. The exact size is yet to be determined but could be in the 12,000 square foot range. Some of the existing spaces will be repurposed, renovated or improved for the performance of the space. There are also plans to improve one of the entrances for better accessibility and as a more prominent feature.

Besides the programmatic improvements to the building, various deferred maintenance items will be addressed at the same time.

# REQUEST FOR AUTHORIZATION: SUDRO HALL SMALL ANIMAL RESEARCH FACILITY EXPANSION AND RENOVATION

**TOTAL PROJECT ESTIMATED COST: $3,000,000**
**SPECIAL FUNDS: $3,000,000 (100%)**
**BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3:** PED: 90% DMP: 5% LSS: 5%

## MASTER PLAN ALIGNMENT

The Department of Pharmaceutical Sciences' mission is to teach pharmacists how basic science is applied to the profession of pharmacy. In addition to teaching professional (Pharm.D.) students, the department has M.S., Ph.D., and Pharm.D./Ph.D. graduate programs and participates in a multidisciplinary Ph.D. program in Cellular and Molecular Biology. The department faculty are greatly contributing to the research mission of NDSU which recently was designated an R1 research institution by the Carnegie Classification of Institutions of Higher Education. Over the past five years, the College of Health Professions has procured a total of more than $38.6M in highly competitive research grant funding from various federal sources. The long-term plan of the department is to continue to grow its research success to create new drug discoveries that improve human health and help NDSU sustain its prestigious Carnegie R1 national ranking. The future research success of the department, however, is heavily dependent on faculty access to a contemporary small animal research facility to conduct animal studies. Given the increased funding from NIH and potential for exponential growth in future research funding, the current small animal research facility in Sudro Hall is inadequate in size and scope to accommodate the anticipated research growth of the department. Without a major expansion of the current small animal research facility, the future growth of research within the department will be greatly hindered. We believe renovation and expansion of the Small Animal Research Facility located in Sudro Hall are warranted in order to conduct the biomedical research safely and effectively and accommodate the growing research needs of the pharmaceutical sciences department at NDSU.

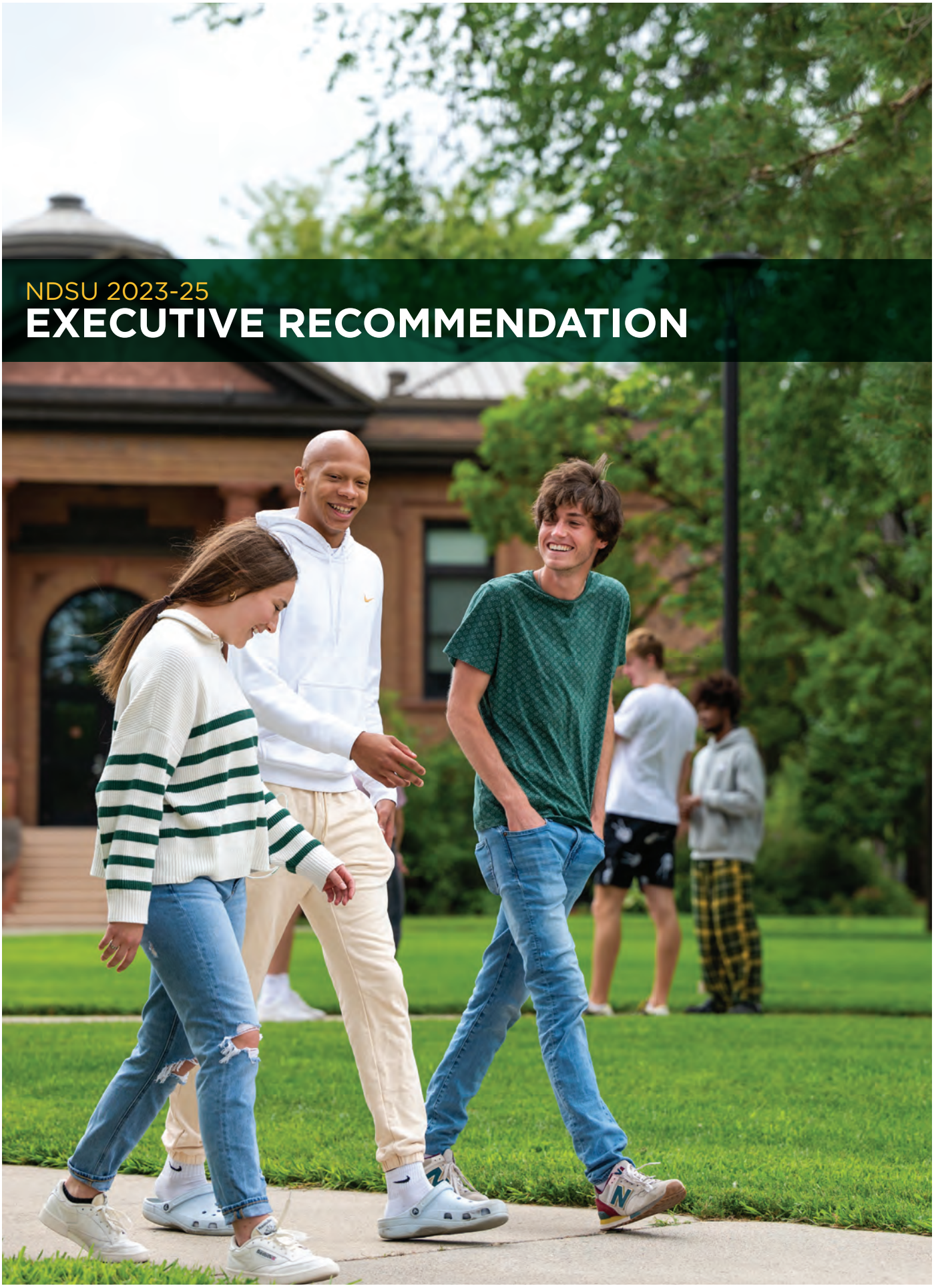
Once Aldevron Tower was finished, space became available in Sudro for other activities. With space opening up, an opportunity presented itself to expand the small animal research facility. Although a minor renovation to the animal research facility in Sudro Hall was completed in 2016, an expansion is needed to help support research activities.

## SCOPE OF WORK

The current animal facility will be upgraded to include more animal chambers, behavioral research rooms, surgical space with imaging equipment, animal breeding space, and additional support spaces. Mechanical, electrical, and other associated components of the current animal research facility will be addressed as needed.

NDSU 2023-25

# EXECUTIVE RECOMMENDATION



## NDSU request compare to Exec Recommendation

| | Request | Executive Rec | Executive Rec difference from Budget Request |
|---|---|---|---|
| **2021-23 Adjusted General Fund Appropriation** | **$ 138,431,325** | **$ 138,431,325** | $ - |
| **General Fund Base adjustments:** | | | |
| 1/ Funding formula: Credit Hour completion adjustment | (7,591,732) | (7,591,732) | - |
| 2/ Funding formula adjustments- 4% minimum payable adjustment | 2,054,479 | 2,054,479 | - |
| 3/ 2021-23 CTC Salary package | 696,301 | 696,301 | - |
| 3/ 2023-25 Salary package: Exec Rec 6.0% / 4.0% (total incl benefits) | - | 8,521,002 | 8,521,002 |
| 5/ Behavioral Health Initiative | 1,100,000 | - | (1,100,000) |
| *Total change to GF base funding* | **$ (3,740,952)** | **$ 3,680,050** | |
| *% change to base* | *-2.7%* | *2.7%* | |
| **Total General Fund Base with adjustments** | **$ 134,690,373** | **$ 142,111,375** | |
| **Other adjustments:** | | | |
| 6/ IT Network Infrastructure (not incl in SBHE request) | 3,201,100 | - | (3,201,100) |
| **Capital Project:** | | | |
| Engineering Building<br>*Total project request $111.6m = GF $83.7m + SF $27.9m* | 83,700,000 | - | (83,700,000) |
| **Total GF Base and One-time Adjustments** | 83,160,148 | 3,680,050 | (79,480,098) |
| **2023-25 Total General Funds-Base, One-time, Capital Project funding** | **$ 221,591,473** | **$ 142,111,375** | **$ (79,480,098)** |

**Notes:**

1/ Student Credit Hour production change

2/ HE Funding model adjustments: 2021-23 Base ($61.81/SCH), Exec Recom ($66.16/SCH-adj for comp pkg)

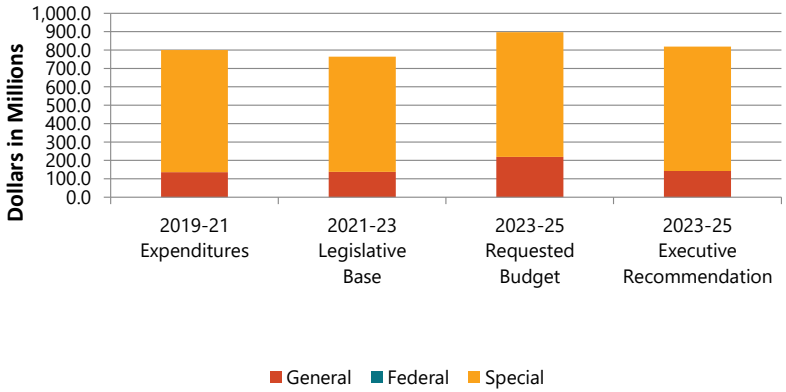
3/4 Salary compensation and health insurance amounts reflect General Fund amounts only.
Executive Recommendation includes 2023-25 compensation package of 6% (yr 1) / 4% (yr 2)

5/ Behavioral Health Initiative was included in the Executive Recommendation as part of the ND University System budget.

# 235 North Dakota State University








## Statutory Authority

North Dakota Constitution, Section 215; North Dakota Century Code Chapter 15-12.

## Agency Description

North Dakota State University (NDSU) is the state's 1862 land grant institution and serves the state by bringing educational opportunities and research solutions to the people of North Dakota. NDSU's commitment remains focused on affordable access to a high-quality education for students and serving state interests in a manner demonstrating sound stewardship and accountability. NDSU's success has led to higher national and international visibility, not just for itself but the entire state, and most importantly, more substantial contributions to the success of North Dakota and the nation.

NDSU offers undergraduate, masters and doctoral degrees as well as undergraduate and graduate certificate programs. While the significant majority of its students are in-person, NDSU also offers online options and is committed to expanding its online and hybrid offerings.

NDSU leads the state in the enrollment of first-time freshmen, and remains the largest university in the state in terms of overall full-time enrollment. Signature programs include Engineering (largest discipline enrollment), Agriculture (largest NDSU research productivity), and Health Professions (2nd largest discipline enrollment with nationally ranked programs for Pharmacy and Nursing).

NDSU collaborates with many institutions across the country and the state. Some of these relationships include research collaborations with other leading research universities throughout the country, administrative service agreements with other institutions within the North Dakota University System (NDUS) whereby NDSU provides administrative support (e.g., payroll) to those institutions, transfer agreements designed to facilitate student transfers within the NDUS, and joint-degree programs where institutions within the NDUS collaborate on degree programs.

NDSU continues to evolve, adapt and thrive, and continues its commitment to affordability, efficiency and productivity. That commitment is reflected in the success of the students, local and service region communities and the statewide economic interests served. NDSU remains committed to addressing the needs and aspirations of North Dakota by building on the land grant foundation.

## Executive Budget Recommendation

- Reduces $7.6 million from the General Fund higher education funding formula due to a decrease in adjusted student credits.
- Adds $2.1 million from the General Fund for 96.0 percent minimal amount payable adjustment.
- Provides $20.0 million of special fund authority for music building addition/renovation.
- Provides $3.0 million of special fund authority for Sudro Hall small animal research facility expansion/renovation.
- Provides $8.5 million from the General Fund as an inflationary increase, which includes the increase in employee health insurance and the executive compensation plan.
- Provides $142.1 million from the General Fund for the state share of campus operations at $66.16 per adjusted student credit hour.

## Request/Recommendation Comparison Summary
## Biennium: 2023-25

| Description | 2019-21 Biennium Expenditures | 2021-23 Legislative Base | 2023-25 Requested Budget | 2023-25 Recommendation Comparison to Leg. Base | | 2023-25 Executive Recommendation |
|---|---|---|---|---|---|---|
| | | | | Increase (Decrease) | % Change | |
| **By Line Item** | | | | | | |
| Campus Operations | 744,420,100 | 756,174,321 | 745,747,665 | 23,024,118 | 3.0% | 779,198,439 |
| Operating Expenses | - | (125,000) | - | 125,000 | (100.0%) | - |
| Capital Assets | 55,973,448 | 7,799,104 | 128,038,668 | 8,639,564 | 110.8% | 16,438,668 |
| Capital Improv-Off System | - | - | 23,000,000 | 23,000,000 | 0.0% | 23,000,000 |
| **Total Line Items** | **$800,393,548** | **$763,848,425** | **$896,786,333** | **$54,788,682** | **7.2%** | **$818,637,107** |
| **By Funding Source** | | | | | | |
| General | 136,007,619 | 138,431,325 | 218,390,373 | 3,680,050 | 2.7% | 142,111,375 |
| Federal | - | - | - | - | 0.0% | - |
| Special | 664,385,929 | 625,417,100 | 678,395,960 | 51,108,632 | 8.2% | 676,525,732 |
| **Total Funding Source** | **$800,393,548** | **$763,848,425** | **$896,786,333** | **$54,788,682** | **7.2%** | **$818,637,107** |
| Total FTE | 1,870.16 | 1,829.43 | 1,871.50 | 38.07 | 2.1% | 1,867.50 |

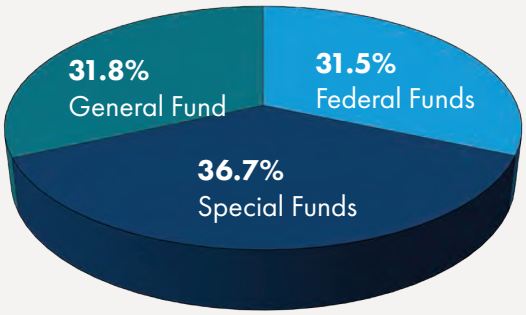
# 2023-25 EXECUTIVE BUDGET RECOMMENDATION

The executive budget recommendation is developed in conjunction with state agencies and the North Dakota Office of Management and Budget staff. It reflects Governor Doug Burgums priorities and financial plan for the 2023-25 biennium.

## 2023-25 RECOMMENDED TOTAL APPROPRIATIONS - $18.45 B

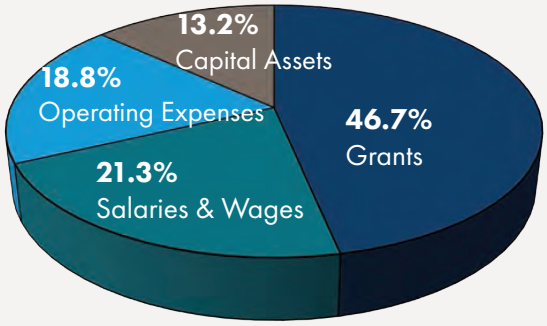
### RECOMMENDED FUNDING SOURCE
Total Funds

- $5.86 billion (31.8%) from the state General Fund
- $5.81 billion (31.5%) from federal funds
- $6.77 billion (36.7%) from state special funds




### RECOMMENDED EXPENDITURES
Total Funds

- $3.94 billion (21.3%) for salaries and wages
- $3.47 billion (18.8%) for operating expenses
- $2.43 billion (13.2%) for capital assets
- $8.61 billion (46.7%) for grants

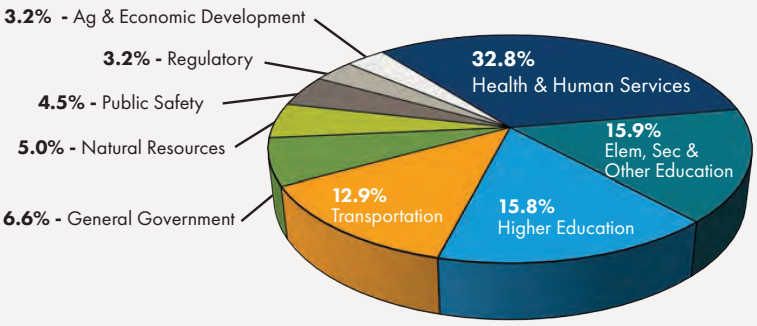



## 2023-25 BUDGET PROCESS

The 2023-25 biennium begins July 1, 2023, and ends June 30, 2025. After gathering information from state agencies regarding requested budgets for the upcoming biennium, the Office of Management and Budget prepared the Governor's recommended budget, presented to the legislature in December of 2022.

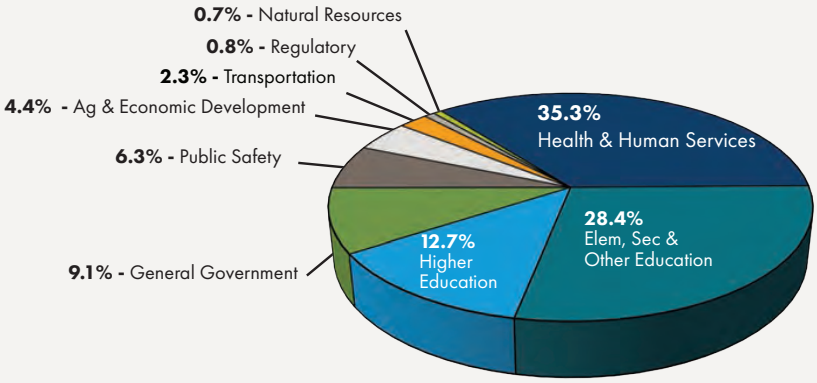
The legislature convenes in January 2023 to begin consideration of the Governor's budget and enact the appropriations bills which set the budget for the upcoming biennium.

## RECOMMENDED APPROPRIATIONS FUNCTION




### TOTAL FUND RECOMMENDATION

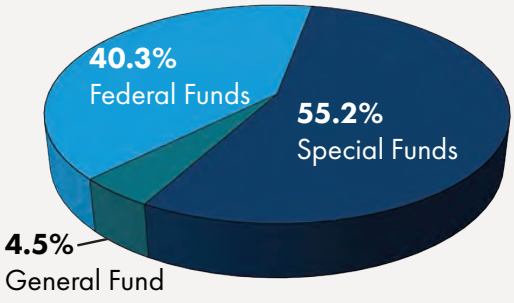
### GENERAL FUND RECOMMENDATION




## RECOMMENDED INVESTMENT IN INFRASTRUCTURE - $2.75 B

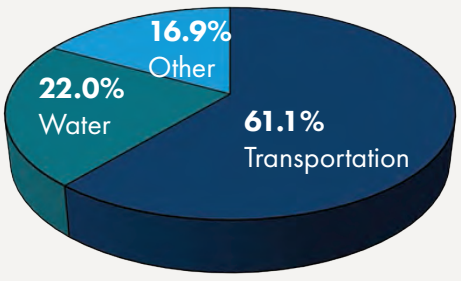
### RECOMMENDED FUNDING SOURCE
Infrastructure

- $125 million (4.5%) from the state General Fund
- $1.11 billion (40.3%) from federal funds
- $1.52 billion (55.2%) from state special funds




### RECOMMENDED PURPOSE
Infrastructure

- $1.68 billion (61.1%) for DOT infrastructure
- $607 million (22.0%) for water infrastructure
- $464 million (16.9%) for other projects




NORTH Dakota Be Legendary.

**GOVERNOR DOUG BURGUM**

Joe Morrissette, Director
Office of Management and Budget

**BRUCE BOLLINGER**
VICE PRESIDENT FOR FINANCE AND ADMINISTRATION
NDSU DEPT 3000
PO BOX 6050
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**P:** 701.231.8412 **F:** 701.231.6194 **E:** bruce.bollinger@ndsu.edu

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# House Appropriations – Education & Environment Division

68th Legislative Session
January 10, 2023

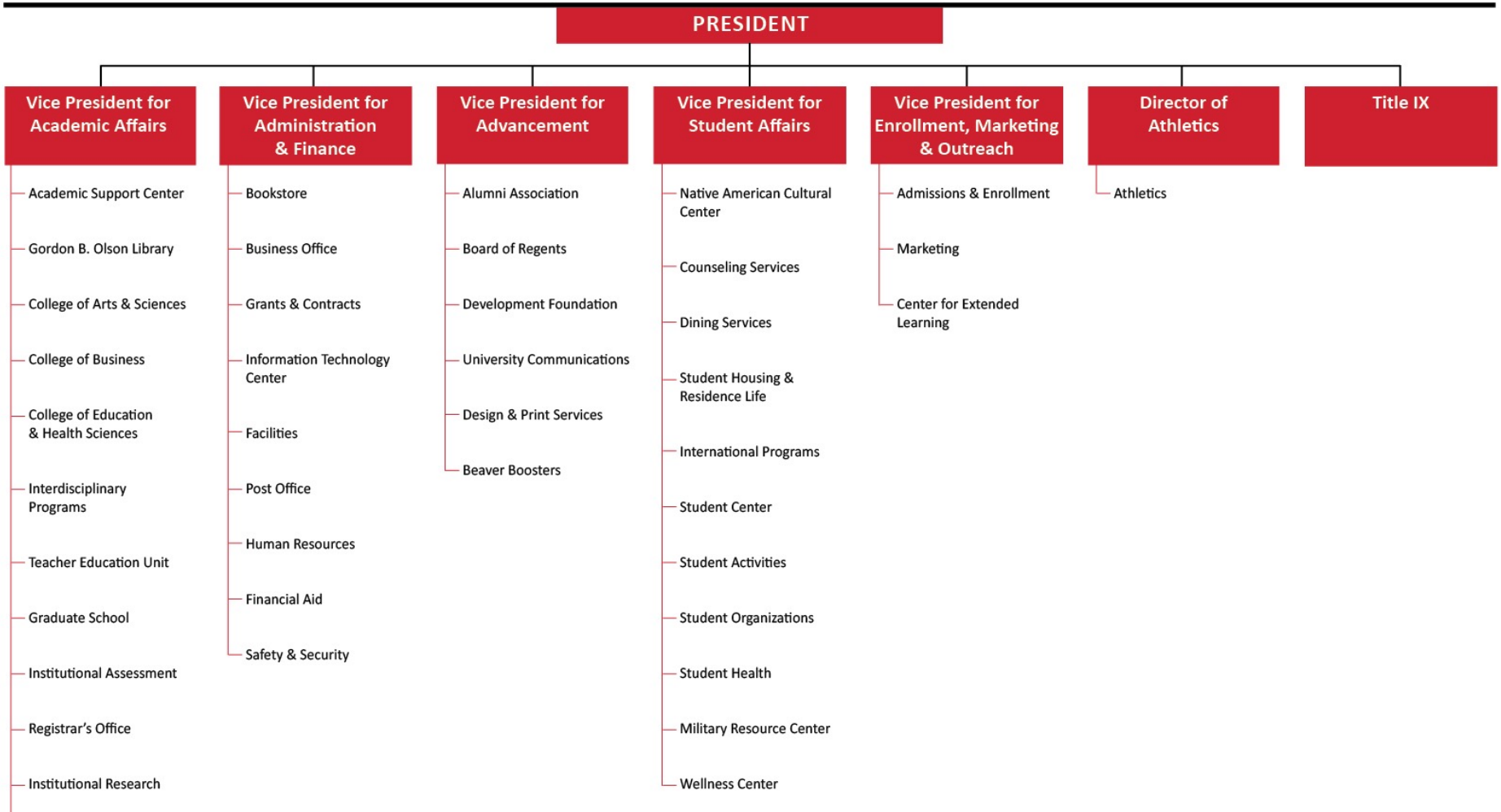
Steve Shirley, PhD, President
Brent Winiger, VP for Administration & Finance

# RELEVANT ND CENTURY CODE

- ND Constitution:
  - Article VIII "Education," Section 6d:
    - "The state normal schools and teachers colleges at Valley City, Mayville, Minot, and Dickinson."
- ND Century Code:
  - Chapter 15-13-01 – Normal Schools – Locations – Names:
    - "The state normal schools established at…..Minot in the county of Ward; ….the name of the normal school at Minot is Minot State University."
  - Chapter 15-18.1-05 – Postsecondary Education Minimum Standards:
    - "All postsecondary educational institutions must be accredited by national or regional accrediting agencies recognized by the United States department of education."

MINOT STATE UNIVERSITY

# Organizational Chart




BE SEEN. BE HEARD. BE EMPOWERED.

# AUDIT FINDINGS

The June 30, 2022 NDUS financial audit report is being finalized by the State Auditor's Office (SAO) and is scheduled to be published in January 2023. Our communications with the SAO indicate there are no findings or recommendations.

# CAMPUS HIGHLIGHTS

- **Higher Learning Commission Accreditation Visit**
  - Hosted a twice/10-year accreditation visit from HLC in April '22
  - Scored "Met" on all 18 core components; best outcome possible
- **Continued Nursing Partnership with Trinity Health**
  - Began 3rd 5-yr cycle of grant: Trinity provides $250K/yr to MSU & $100K/yr to DCB; 40% growth in nursing grads vs 10 yrs ago
- **"Empowering Generations" capital campaign in-progress**
  - MSU's largest-ever capital campaign with goal of $50M; 4 pillars of Scholarships, Academic Programs, Facilities, and Athletics
  - Publicly announced in Oct. '22; $39.8M raised to-date; ongoing
- **MSU Outdoor Amphitheater**
  - Completed a $2.8M fundraiser for a major renovation to the 50-year old facility; beautiful outdoor campus performing arts space
- **Magic City Daycare**
  - New agreement in 2021; host private daycare on campus
  - 37 attendees have been children of MSU employees/students
  - MSU students observe, work, and do clinical hours at daycare

# CAMPUS HIGHLIGHTS

- **Financing Efficiencies**
  - Restructured MSU debt by advance refunding and reissuing one bond series and the defeasance of another bond
  - Improves MSU's cash flow by ~ $550,000 annually
  - Maintained "A" rating by S&P Global
- **Added Women's Wrestling**
  - 2022-23 is the first season of this intercollegiate sport at MSU
  - Provides added opportunities for females; first campus in NDUS
- **Hometown Pride Scholarship**
  - New in 2021; $1000 for freshmen from NW/Northcentral ND
  - 27% increase in 2022 freshmen from the target area
- **10-yr increase: Graduation & Freshmen Retention rates**
  - Graduation: 36% 10 yrs ago to 49% now; Retention: 66% to 72%
- **NSA/DHS Cyber Designation**
  - Feb. '22: designated by Dept. of Homeland Security & National Security Agency as a Center of Excellence in Cyber Defense
  - 3rd four-year campus in ND, SD, MT, & WY with this designation

# DHS/NSA Cyber Defense Designation

## Featured in June '22 "Prairie Business" magazine

PB | HIGHERED
JUNE 2022
VOL 23 ISSUE 6

# MINOT STATE EARNS NATIONAL CYBER DEFENSE DESIGNATION

THE DESIGNATION – CENTER OF ACADEMIC EXCELLENCE IN CYBER DEFENSE BY THE NATIONAL SECURITY AGENCY AND THE DEPARTMENT OF HOMELAND SECURITY – IS AWARDED TO REGIONALLY ACCREDITED ACADEMIC INSTITUTIONS OFFERING CYBERSECURITY DEGREES AND/OR CERTIFICATES AT THE ASSOCIATE, BACHELOR AND GRADUATE LEVELS. IMAGE: COURTESY OF MINOT STATE UNIVERSITY

**MINOT, N.D.** • Minot State University has earned a national cyber-defense designation.

The designation – Center of Academic Excellence in Cyber Defense by the National Security Agency and the Department of Homeland Security – was given to the school's Management Information Systems through 2027.

The designation is awarded to regionally accredited academic institutions offering cybersecurity degrees and/or certificates at the associate, bachelor and graduate levels. The designation process is a combination of elements related to the institution, focused on outputs for determining academic achievement.

This combination assures that the institution meets the desired characteristics of a CAE-CD institution, and that the academic delivery to students is producing the qualified workforce needed by the nation.

"Earning the designation as a Center of Academic Excellence in Cyber Defense by the NSA and DHS is a significant honor for MSU, and specifically our College of Business," said Minot State President Dr. Steven Shirley. "This designation is a strong seal of approval from the federal government regarding our cyber programming, and it will create wonderful new opportunities for current and future MSU students.

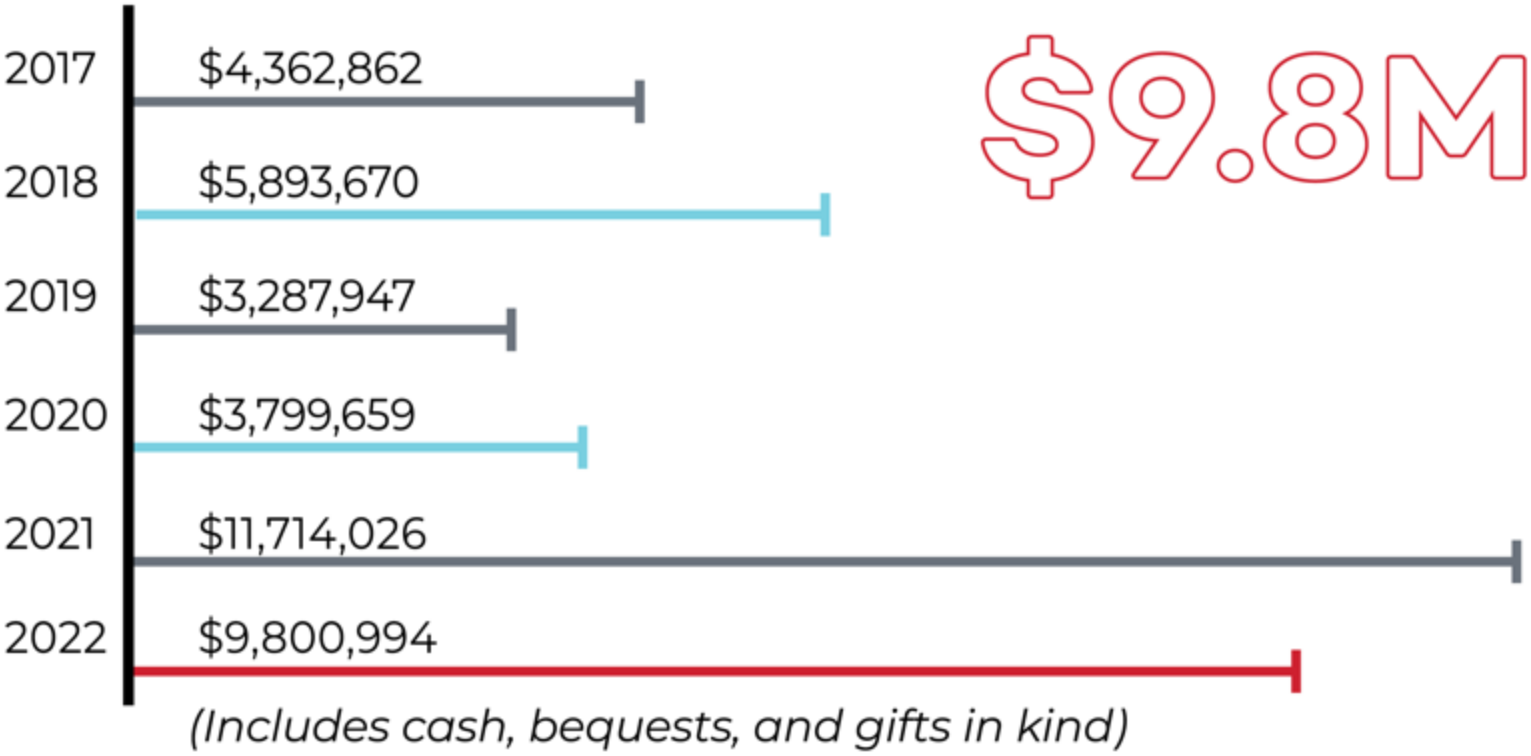
"Faculty have made major strides in both our business information technology and computer science academic areas, and this academic excellence acknowledgment is yet another important affirmation of our expertise in these critical cyber areas."

With this designation, Minot State is formally recognized by the U.S. government for its robust cybersecurity-related programs, having undergone in-depth assessment and met rigorous requirements.

# ***Fundraising Update and Collaboration with the MSU Foundation***

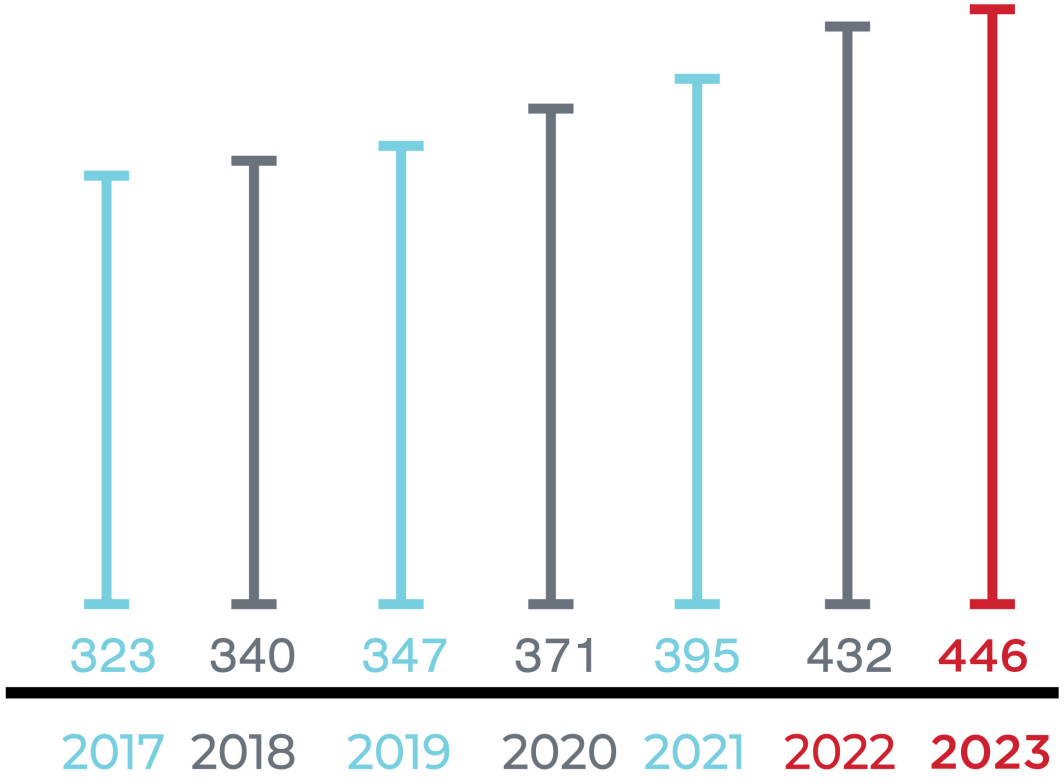
MINOT STATE UNIVERSITY

# Total Support By All Donors — Fiscal Year




*(Includes cash, bequests, and gifts in kind)*

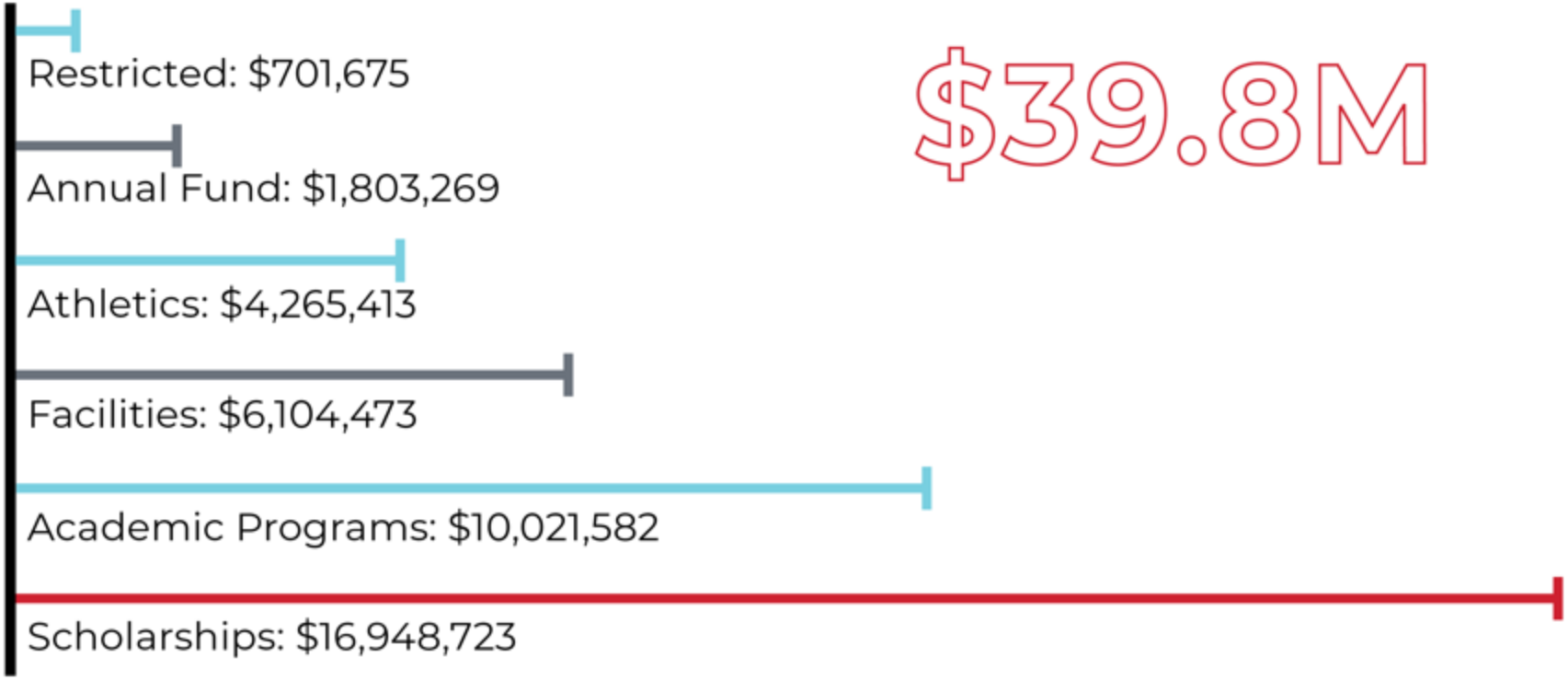
# Fiscal Year Growth of Endowed Scholarships




446

*as of 12-31-2022*

# $50M Capital Campaign — Total Raised as of 12-31-2022




$39.8M

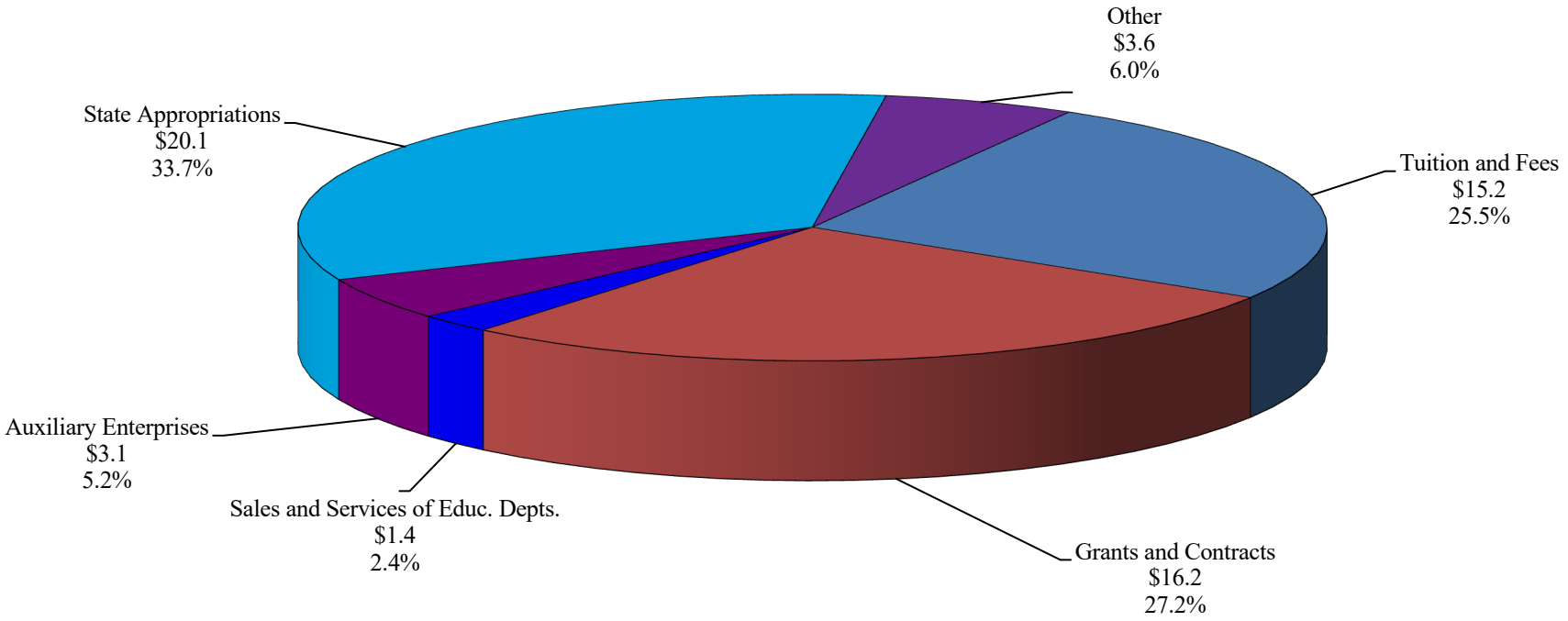
# WORKFORCE INITIATIVES

- **Teacher Education "Aspire Scholars" Program**
  - Partner w/ K-12 to address teacher shortages; "grow your own"
  - HS Scholars nominated; take MSU courses; paired w/ mentor
- **Special Education "Para to Professional" program**
  - Pathway for in-field paras to complete degrees online; DPI grant
  - 27 graduates as of Dec. '22 (began in 2020); more enrolled now
- **MSU School Psychology / Bureau of Indian Ed. partnership**
  - $4.35M, 5-year grant received in Dec. '22 from US Dept. of Education
  - School Psyc. students will work w/ Turtle Mountain schools/NA students
- **Academic Program growth in new Bachelors programs**
  - Cybersecurity & Operations: 4 declared majors in F20; 34 in F22
  - Exercise Science & Rehabilitation: 45 majors in F20; 78 in F22
  - Entrepreneurship: 6 majors in F18; 24 in F22
- **Nursing Support and Scholarship Growth**
  - Trinity partnership; and Challenge grant growth of Nursing scholarships
- **New Academic offerings (UG certificates, associates)**
  - Data Science; Data Analytics; Associates in Accounting
- **Social Work @ NDSU**
  - Dual degree; MSU delivers the BSW degree at NDSU; 60-80 students

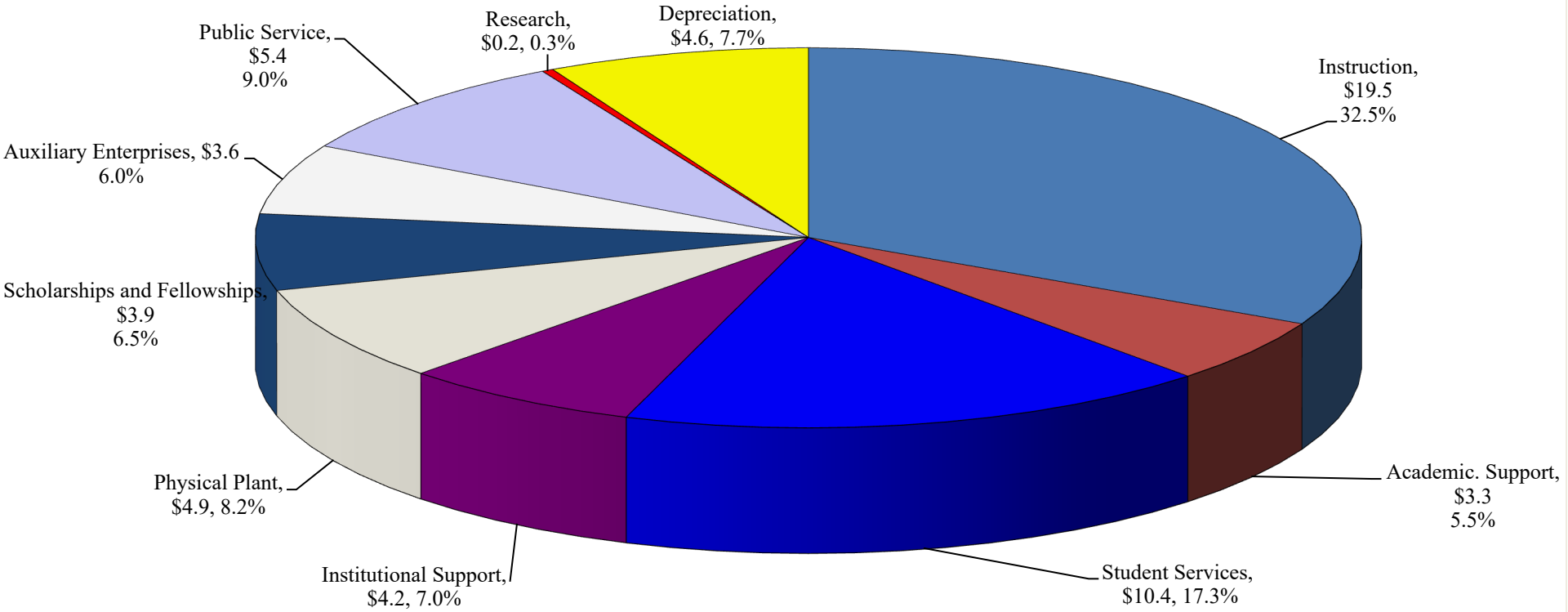
# CURRENT CHALLENGES/PRIORITIES

- **Enrollment**
  - FTE student enrollment is 2167 in Fall ‘22; it was 2600 in Fall ‘14 – a 16.7% drop in 8 years; similar to NDUS and national data
  - New strategies include addition of Hometown Pride scholarship; 4-year renewable scholarship; new/revised academic programs
- **Competitive Salaries**
  - Competition for talent from both other governmental agencies & the private sector is creating recruitment/retention challenges
  - Currently reviewing and increasing salaries where possible with certain position classifications and lower-level wage earners
- **Inflationary impacts of materials/goods**
  - Renovation and construction project costs have escalated dramatically during the past 12-24 months
  - Utilities, food costs, transportation, and other ongoing operating expenditures are driving costs up across every aspect of campus

# Minot State University
# Total Revenue, Excluding Capital
# Fiscal Year 2022
## ($ in millions)
## Total Revenue $59.6 million



**Minot State University**
**Operating Expenses by Function**
**(excluding capital items and other nonoperating expenses)**
**Fiscal Year 2022**
**(in millions)**
**Total Operating Expenses: $60.0 million**



# Minot State University

## Comparison of 2021-23 Base Budget

## to 2023-25 SBHE Request and Executive Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| Campus Operations | $ 104,154,777 | $ 1,085,464 | $ 105,240,241 | $ 111,779,393 | $ 7,624,616 | $ 6,539,152 |
| Capital Assets | $ 1,099,620 | $ 1,721,140 | $ 2,820,760 | $ 2,820,760 | $ 1,721,140 | |
| **Total Appropriation** | **$ 105,254,397** | **$ 2,806,604** | **$ 108,061,001** | **$ 114,600,153** | **$ 9,345,756** | **$ 6,539,152** |
| General Fund | $ 41,206,630 | $ 2,474,364 | $ 43,680,994 | $ 45,463,792 | $ 4,257,162 | $ 1,782,798 |
| Special Funds | $ 64,047,767 | $ 332,240 | $ 64,380,007 | $ 69,136,361 | $ 5,088,594 | $ 4,756,354 |
| **Total Funding Sources** | **$ 105,254,397** | **$ 2,806,604** | **$ 108,061,001** | **$ 114,600,153** | **$ 9,345,756** | **$ 6,539,152** |

# MINOT STATE UNIVERSITY

## 2023-2025 General Funds Budgets Comparison

| | SBHE Request | | Exec Rec. | |
|---|---|---|---|---|
| 2021-2023 General Fund Base Budget | $ 41,206,630 | | $ 41,206,630 | |
| Base Budget Request | | | | |
| - Funding Formula increase | $ 1,342,514 | | $ 1,342,514 | |
| - Behavioral Health Initiative | $ 170,000 | | | |
| - Salary continuation adjustment | $ 196,850 | | $ 196,850 | |
| - Salary and Insurance Package | | | $ 2,717,798 | |
| Total Base General Fund Request | $ 1,709,364 | | $ 4,257,162 | |
| 2023-2025 General Fund Base Budget | $ 42,915,994 | 4.1% | $ 45,463,792 | 10.3% |
| One-Time Capital Funding | | | | |
| Dakota Hall Renovation | $ 765,000 | | $ 765,000 | (SIIF) |

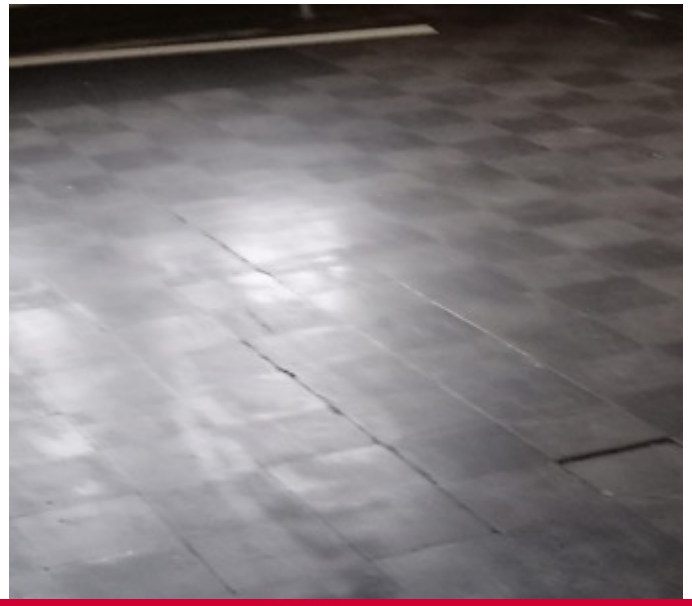
# UPDATE - NOV. '21 SPECIAL SESSION APPROPRIATION

- $25M appropriation for Hartnett Hall
- Construction underway – environmental/asbestos remediation completed last spring and renovation began last summer
- Scheduled for completion in Dec. '23 / Jan. '24
- THANK YOU!

# ONE-TIME FUNDING - DAKOTA HALL DEMOLITION

- $765,000 demolition; 29,736 square foot building
- Residence Hall built in 1931; poor quality housing - mostly vacant – no current student occupants; (Daycare on 1st floor)
- Ranked in 1st group by SBHE among campus capital projects
- Full renovation estimated at $6.5M+; asbestos, new room layouts, full plumbing replacement, new fire suppression, elevator, flooring, new roof, electrical upgrades.
- Non-competitive - old-style residence hall. Plenty of other modern, suite-style apartment options on/near campus
- Demolition would save steam loop heating, electricity, insurance, maintenance; approximately $50,000/annually

# ONE-TIME FUNDING - DAKOTA HALL DEMOLITION



# ONE-TIME FUNDING - DAKOTA HALL DEMOLITION

# Special Funds Authority – MSU Student Center 2nd Floor Renovation

- Students voted in March 2022 to self-fund a renovation of the 2nd Floor of the Student Center
- Expands student gathering and activity spaces in the Center
- $3.1 million renovation
- Seeking special funds Legislative authority for bond financing
  - funded from a new student fee ($87.12/student/semester)
  - no state funding required

# MINOT STATE UNIVERSITY SUPPORTS:

- An increase to support the general fund portion of the compensation package
- A minimum amount payable percentage in the funding formula
- A construction inflation adjustment for ARPA-funded projects
- Continued support/increases to the Challenge Fund
  - The Higher Ed Challenge Fund has been a MAJOR boost with donor philanthropy to grow scholarships

# THANK YOU FOR YOUR TIME TODAY AND YOUR SERVICE TO NORTH DAKOTA

## QUESTIONS?

MINOT STATE UNIVERSITY

Lake Region
State College

# House Appropriations Committee Hearings

## HB 1003

## January 10, 2023

# Accomplishments

- Completed construction-Hofstad Ag Center
- Upgraded air conditioning and siding – Gilliland Hall
- Received continued accreditation-HLC-10 years
- Successful NDCTE 5-Year Review
- Numerous Apprenticeships agreements
- Added Peace Officer Training-West Fargo
- Received CHS Foundation Award-precision ag equipment
- Received Bremer grant to expand nursing education online

# Collaborations with other NDUS Institutions

- Statewide Articulation Agreements
  - Early Childhood Education
  - Nursing
  - Speech Language Pathology Paraprofessional
- Dakota Nursing Program
  - BSC, DCB, WSC
- ND Agriculture Consortium
  - DCB & WSC
- Northern Information Technology Consortium
  - DCB, MiSU, TMCC, WSC, VCSU
- Numerous Articulation Agreements
  - MaSU, MiSU, NDSU, UND, VCSU
- Campus Programs
  - Launch at UND
  - Nursing at Mayville State
  - Mayville at LRSC
- ND Tribal College Apprenticeship Program
  - CCCC
  - NHSC
  - Sitting Bull College
  - TMCC
  - UTTC
- DOL Strengthening Community Colleges Grant
  - BSC, LRSC, NDSCS, TMCC, WSC

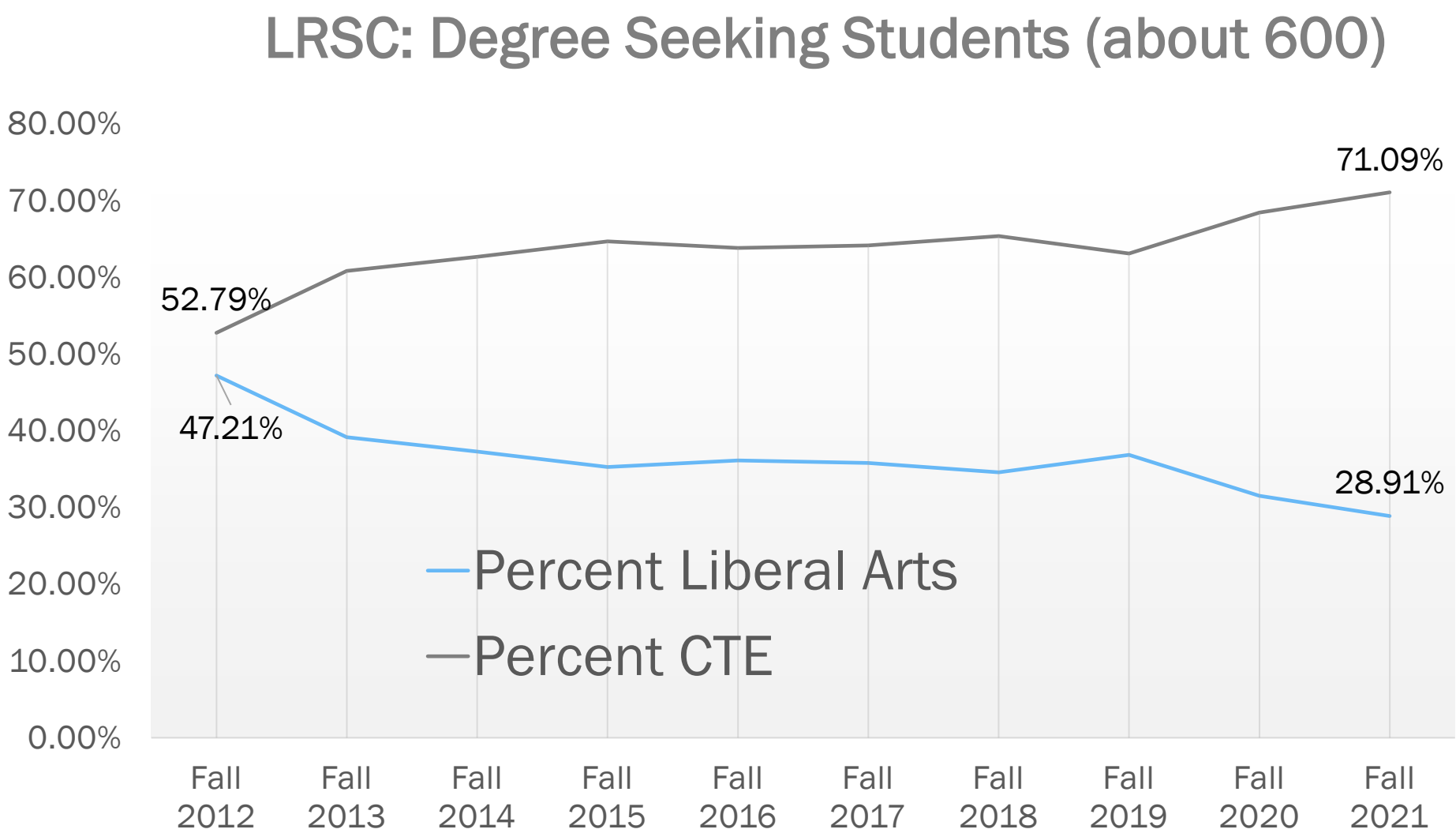
# Enrollment

## Fall 2022 Headcount

**Up 3.5% over Fall 2021**
**(From 1,621 to 1,679)**

**Still down: 15.3% from 2019 (pre-pandemic)**

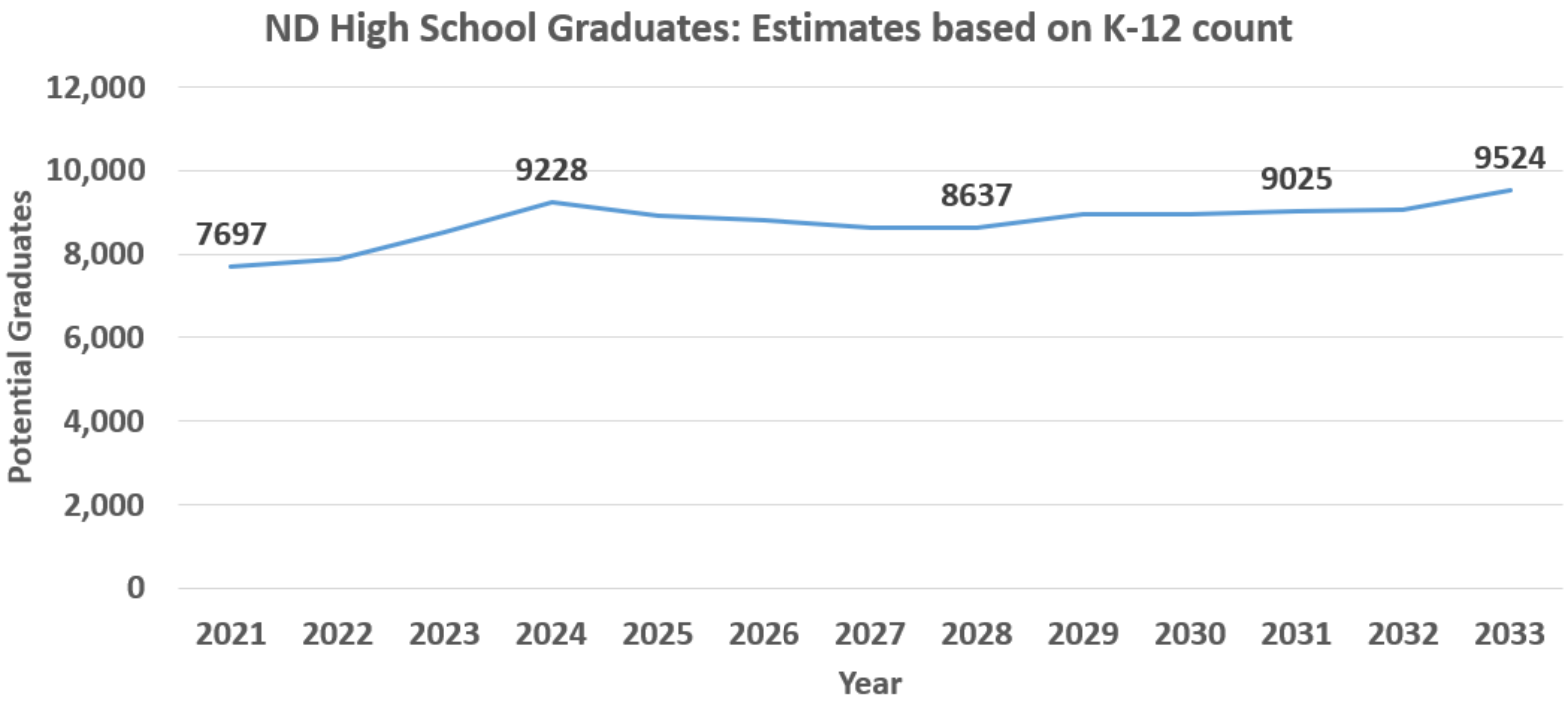
# Academic Transfer & CTE



# High School Seniors- 40 Year History

| Schools | 1983 | 2023 |
|---|---|---|
| Cavalier | 59 | 23 |
| Langdon | 95 | 26 |
| Devils Lake | 142 | 91 |
| New Rockford/Sheyenne | 45 | 15 |
| Cooperstown/Grigg's Cty | 30 | 12 |
| Cando/North Star | 36 | 17 |
| Leeds | 20 | 4 |
| Harvey | 73 | 20 |
| TOTALS | 500 | 208 |

# ND High School graduates

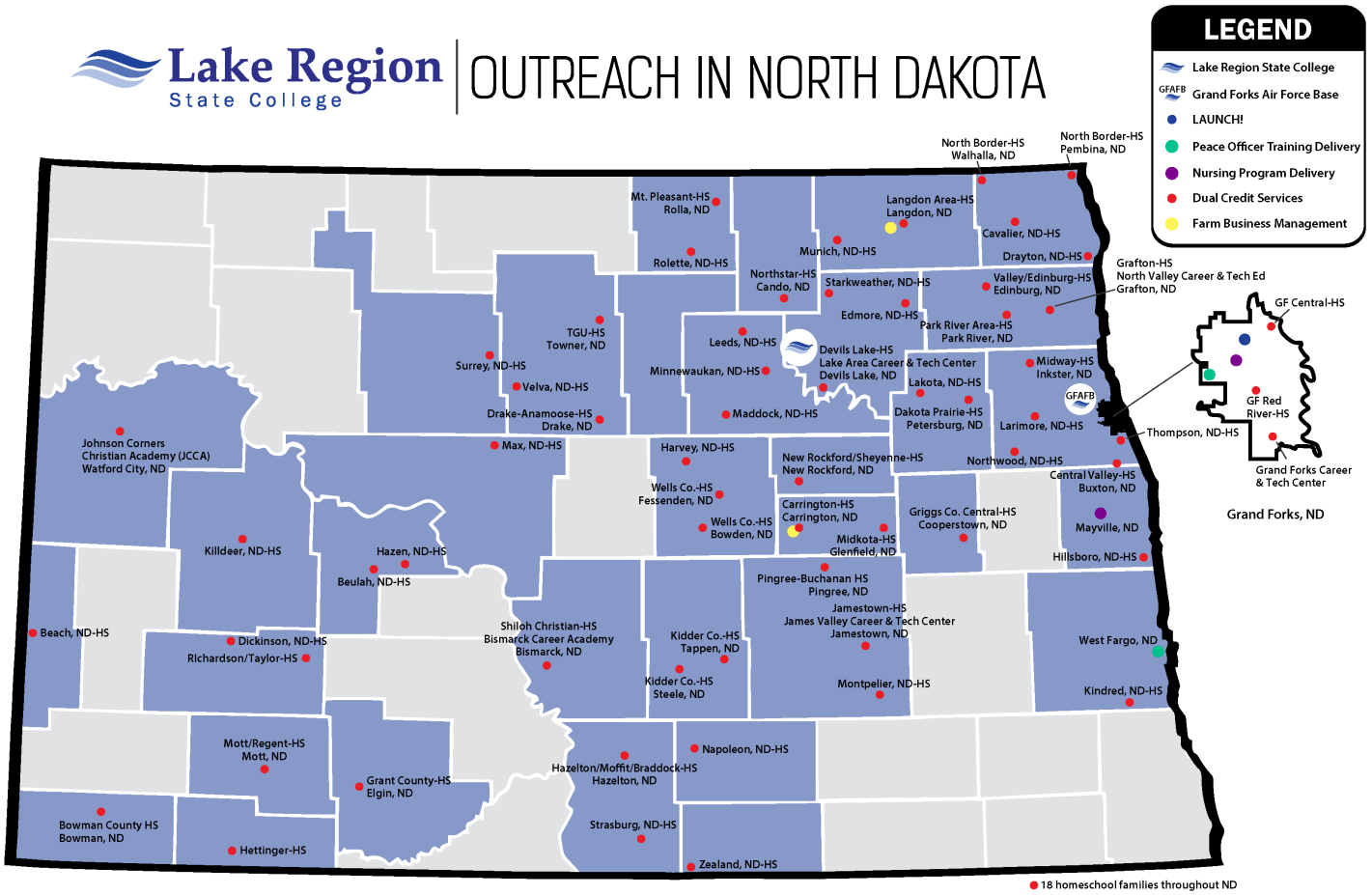



- Average ACT Score- 19.2 (www.ontocollege.com)
- ND SLDS Data- 75% score below a 22 on ACT

# Outreach

- Dual Credit/Early Entry in High School – 61
- Launch!
- In Home Care
- Nursing
- LRSC at the Grand Forks AFB
- Peace Officer Training
- Farm Management

# Outreach


Lake Region State College
OUTREACH IN NORTH DAKOTA
LEGEND
Lake Region State College
Grand Forks Air Force Base
LAUNCH!
Peace Officer Training Delivery
Nursing Program Delivery
Dual Credit Services
Farm Business Management
North Border-HS Walhalla, ND
North Border-HS Pembina, ND
Mt. Pleasant-HS Rolla, ND
Langdon Area-HS Langdon, ND
Cavalier, ND-HS
Rolette, ND-HS
Munich, ND-HS
Drayton, ND-HS
Northstar-HS Cando, ND
Starkweather, ND-HS
Valley/Edinburg-HS Edinburg, ND
Grafton-HS North Valley Career & Tech Ed Grafton, ND
Edmore, ND-HS
Park River Area-HS Park River, ND
GF Central-HS
TGU-HS Towner, ND
Leeds, ND-HS
Devils Lake-HS Lake Area Career & Tech Center Devils Lake, ND
Surrey, ND-HS
Minnewaukan, ND-HS
Midway-HS Inkster, ND
Velva, ND-HS
Lakota, ND-HS
GFAFB
GF Red River-HS
Drake-Anamoose-HS Drake, ND
Maddock, ND-HS
Dakota Prairie-HS Petersburg, ND
Larimore, ND-HS
Thompson, ND-HS
Johnson Corners Christian Academy (JCCA) Watford City, ND
Max, ND-HS
Harvey, ND-HS
New Rockford/Sheyenne-HS New Rockford, ND
Northwood, ND-HS
Grand Forks Career & Tech Center
Central Valley-HS Buxton, ND
Wells Co.-HS Fessenden, ND
Carrington-HS Carrington, ND
Griggs Co. Central-HS Cooperstown, ND
Mayville, ND
Wells Co.-HS Bowden, ND
Midkota-HS Glenfield, ND
Killdeer, ND-HS
Hazen, ND-HS
Hillsboro, ND-HS
Beulah, ND-HS
Pingree-Buchanan HS Pingree, ND
Jamestown-HS James Valley Career & Tech Center Jamestown, ND
Beach, ND-HS
Dickinson, ND-HS
Richardson/Taylor-HS
Shiloh Christian-HS Bismarck Career Academy Bismarck, ND
Kidder Co.-HS Tappen, ND
West Fargo, ND
Kidder Co.-HS Steele, ND
Montpelier, ND-HS
Kindred, ND-HS
Mott/Regent-HS Mott, ND
Napoleon, ND-HS
Hazelton/Moffit/Braddock-HS Hazelton, ND
Grant County-HS Elgin, ND
Bowman County HS Bowman, ND
Strasburg, ND-HS
Hettinger-HS
Zealand, ND-HS
Grand Forks, ND
18 homeschool families throughout ND

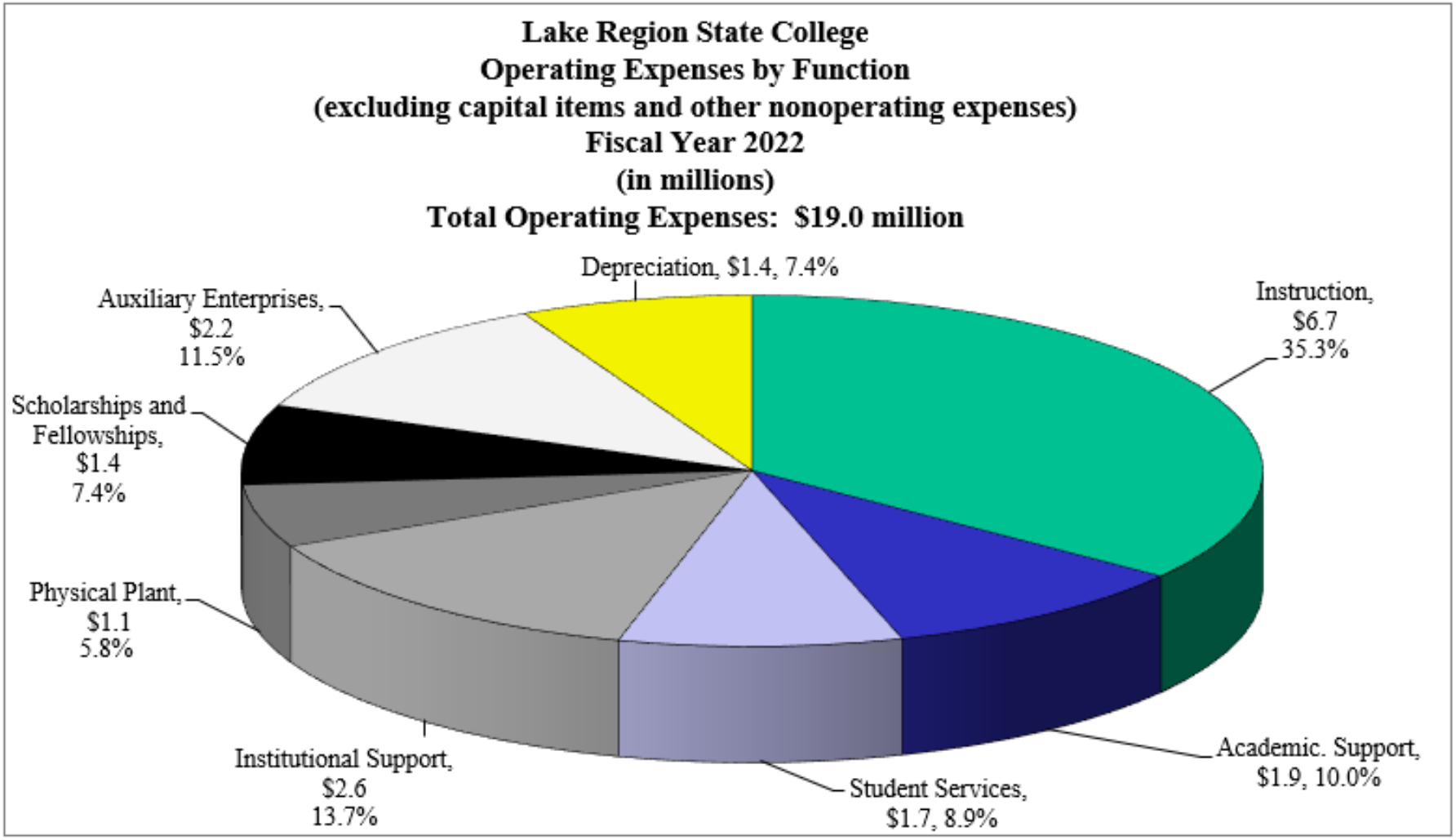
# 2023-2025 Budget Request

## Lake Region State College

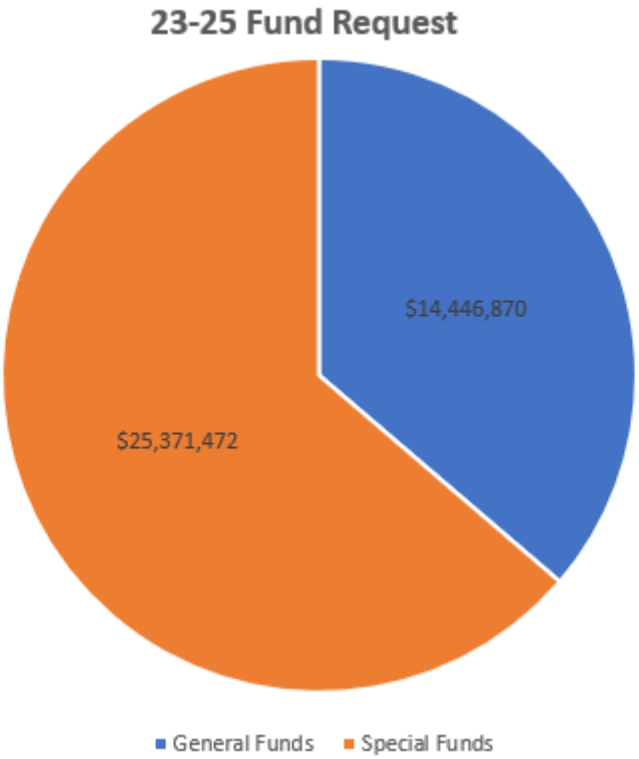
### Comparison of 2021-23 Base Budget to 2023-25 SBHE Request and Executive Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| Campus Operations | $ 39,150,913 | | $ 39,150,913 | $ 39,150,913 | | |
| Funding Formula Adjustment | | $ (1,157,713) | $ (1,157,713) | $ (1,157,713) | $ (1,157,713) | |
| Costs to Continue Salaries/FB | | $ 165,448 | $ 165,448 | $ 165,448 | $ 165,448 | |
| Capital Equipment/Operating Adjustment | | $ 207,300 | $ 207,300 | $ 207,300 | $ 207,300 | |
| Behavioral Health Initiative | | $ 109,000 | $ 109,000 | $ - | $ - | $ (109,000) |
| Executive Compensation Recommendation | | | | | | |
| 6%/4% plus health insurance | | | $ - | $ 2,034,393 | $ 2,034,393 | $ 2,034,393 |
| 96% Minimum Amount Payable | | $ 588,027 | $ 588,027 | $ 588,027 | $ 588,027 | $ 588,027 |
| **Total Campus Operations** | $ 39,150,913 | $ (87,938) | $ 39,062,975 | $ 40,988,368 | $ 1,837,455 | $ 2,513,420 |
| Capital Assets | $ 362,667 | | $ 362,667 | $ 362,667 | | |
| Capital Equipment/Operating Adjustment | | $ (207,300) | $ (207,300) | $ (207,300) | $ (207,300) | |
| **Total Capital Assets** | $ 362,667 | $ (207,300) | $ 155,367 | $ 155,367 | $ (207,300) | $ - |
| Plant Improvement Carryover | | | | | | |
| Capital Projects - Non-State Funded | | | | | | |
| Capital Projects - Non-State Carryover | | | | | | |
| Operating Carryover | | | | | | |
| **Total Appropriation** | **$ 39,513,580** | **$ (295,238)** | **$ 39,218,342** | **$ 41,143,735** | **$ 1,630,155** | **$ 2,513,420** |
| General Fund | $ 14,242,152 | $ (395,282) | $ 13,846,870 | $ 14,615,069 | $ 372,917 | $ 1,465,226 |
| Special Funds | $ 25,271,428 | $ 100,044 | $ 25,371,472 | $ 26,528,666 | $ 1,257,238 | $ 1,157,194 |
| **Total Funding Sources** | **$ 39,513,580** | **$ (295,238)** | **$ 39,218,342** | **$ 41,143,735** | **$ 1,630,155** | **$ 2,622,420** |
| **One-time Funding** | | | | | | |
| Capital Assets | | | | | | |
| Gearbox (One-time) | | $ 600,000 | $ 600,000 | $ 600,000 | $ 600,000 | $ 600,000 |

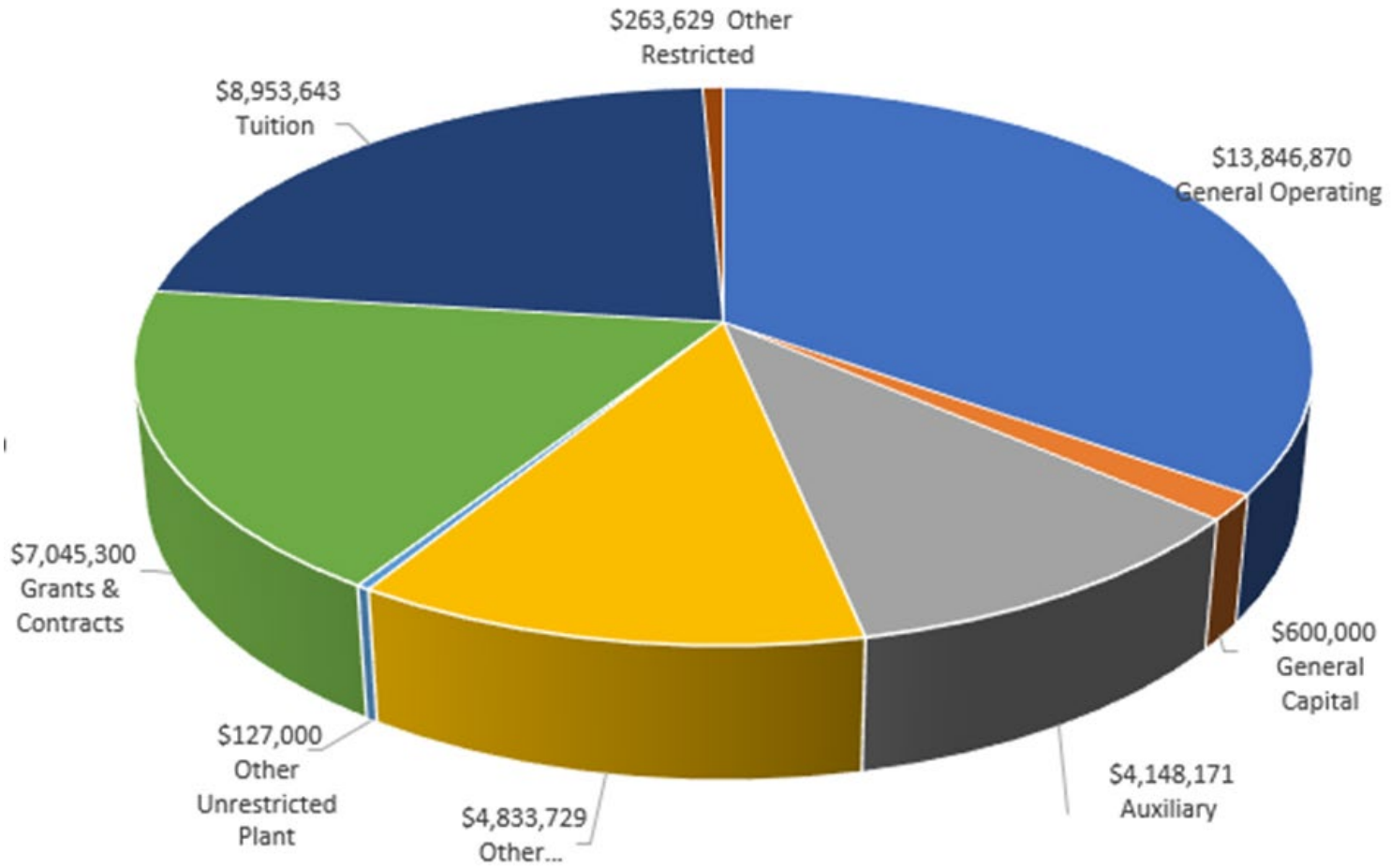
# Operating Expenses



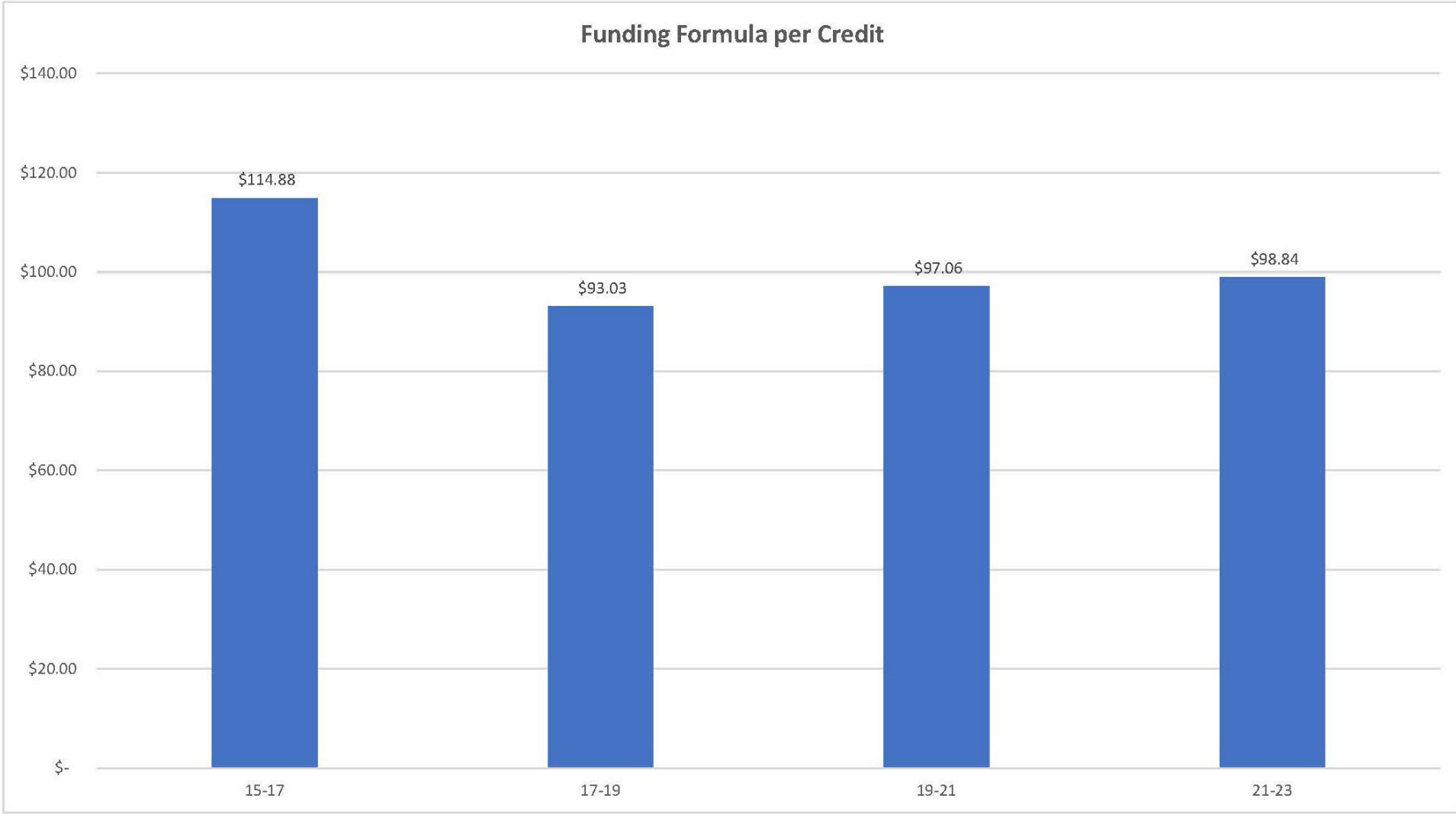
# 2023-2025 Funds Request



# LRSC Fund Breakdown
# 2023-2025 Biennium



# LRSC Funding Formula



# Inflation

- Food Items for Food Service:  28%
- Paper Products for Food Service:  45%
- Dept. of Transportation-vehicles:  32%
- Miscellaneous Physical Plant products:  27%
- Technology
  - Hardware: 15%
  - Software:  8%

# Capital Project
# Wind Turbine Gearbox

- $600,000 (high estimate)
- Turbine – 10 years old
- Increased Maintenance
- Increased utility costs
- Decreased revenue for energy that is sold
- Repurpose old gearbox for classroom use
- Training of wind technicians is high priority for the wind industry in ND

# Capital Project:
# Parking Lot, Road & Sidewalk Repair

- Approved to start the work 21-23 biennium-no funding ($250,000)
- Operating budget not able to handle project
- Did not make the top-ten SBHE projects
- New Cost $504,000
  - Asphalt (Milling, Overlay and Patching) 15,000 SY $412,500
  - Curb and Gutter (remove and replace) 950 LF $76,800
  - Sidewalk (remove and replace) 2100 SF $14,700

# Not your ordinary college

Lake Region
State College

# Thank you!

# HOUSE APPROPRIATIONS COMMITTEE HEARINGS

HB 1003

LAKE REGION STATE COLLEGE
JANUARY 10, 2023

# HOUSE APPROPRIATIONS
# COMMITTEE HEARINGS
# HB 1003

LAKE REGION STATE COLLEGE
JANUARY 10, 2023

Good afternoon, I am Dr. Doug Darling, President of Lake Region State College

## THE COLLEGE

We change lives. Three simple words that faculty and staff at Lake Region State College take to heart each day. For more than 80 years, Lake Region State College has fulfilled a mission to enhance lives and community vitality through quality education. Always looking forward to tomorrow's opportunities, LRSC embraces its past and simultaneously creates the workforce of tomorrow. Serving students and assisting them in reaching their educational goals is what Lake Region State College in Devils Lake does.

Lake Region State College (LRSC) is a student-centered, open access, comprehensive community college within the North Dakota University System. The college provides quality academic education, career and technical training, workforce training, educational outreach opportunities, and life-long learning.

For those who don't know, Lake Region State College has a large footprint for the small campus we appear to be. We serve students keeping the core mission of community colleges – access to all – always top of mind. Because of the community college mission, we provide access to education on our campus; online; for military personnel at Grand Forks Air Force Base; for future police officers with academies throughout North Dakota; through nursing programs in Devils Lake, Grand Forks, and Mayville; through dual credit in more than 60 high schools; and for those who pursue a university education but aren't quite ready to take that leap with the LAUNCH! Program at UND. Our TRAINND office offers certified nurse assistant and in-home care provider training to citizens statewide. In response to school needs, LRSC will add sections to current transfer classes and offer CTE courses. At the Jamestown CTE Center, LRSC is working with the school district to provide prerequisite classes aligned with the Dakota Nursing Program and also is offering an Information Technology track for high school students.

LRSC is proud to collaborate with other NDUS institutions and participates in statewide articulation agreements in early childhood education and nursing. LRSC is also a member of the Dakota Nursing Program with Bismarck State College, Dakota College at Bottineau, and Williston State College, the Dakota Precision Agriculture Consortium with Dakota College at Bottineau and Williston State College, and the Northern Information Technology Consortium with Dakota College at Bottineau, Minot State University, Turtle Mountain Community College, and Williston State College. In addition, LRSC has numerous program articulation agreements with Mayville State University, Minot State University, University of North Dakota, and Valley City State University to provide seamless transfer between associate's and bachelor's degree options.

According to the National Center for Education Statistics (NCES), the average graduation rate for 2-year postsecondary institutions is 36.4 percent. Lake Region State College reported a 50 percent graduation rate. This data represents cohort year 2018 and is the graduation rate within 150% of normal time (Fall 2018 through Summer 2021).

Our graduates are successful. Students pass their licensure exams at rates that are equal to or higher than national averages. Licensure exams and certification are used by some career and technical education programs for assessment of student learning and to provide students with professional and educational advancement opportunities. Students in the Automotive Technology, Fitness Trainer Technician, Marketing, Information Technology, Precision Agriculture, and Wind Energy Technician programs can choose to take industry certification exams. The Licensed Practice Nurse, Associate Degree Nurse, and Peace Officer Training programs prepare students to sit for national exams that are required for employment in the industry.

For the Licensed Practical Nursing program, graduates take the NCLEX-PN. The national first-time pass rate on the practical nurse exam in 2021-2022 was 80.05 percent. Lake Region State College's first-time pass rate was 100 percent for that same time.

The national first-time pass rate on the registered nurse exam in 2021-2022 was 80.83 percent. Lake Region State College's first-time pass rate was 89 percent for that same time.

The North Dakota University System has adopted several data systems that help incorporate accountability measures and transparent reporting in accordance with the Board's vision and strategic plan.

These data systems, including Dashboards, Predictive Analytic Reporting, Strategic Planning Online, and the State Longitudinal Data System, provide public reports on completion and retention rates, semester-by-semester enrollment, peer comparisons, financial aid and tuition, and much more. Additionally, the publicly-available data available throughout the systems provides real-time data to researchers and decision-makers.

The college also is gauged on its success of its instruction and service to students. In the Fall of 2022, LRSC invited the Department of Career and Technical Education to review instruction, curriculum, partnerships, and more. The visit found strong evidence of institutional commitment and support for career and technical education. The administration and faculty work closely with advisory committees and business/industry partners to improve the viability of existing programs and is efficient and effective in allocating resources.

The college as a whole also undergoes a comprehensive self-study and on-site visit, with our latest visit being in 2020. Following the Comprehensive Evaluation conducted in Fall 2020, HLC continued the accreditation of LRSC for another ten-year cycle, with the next Reaffirmation of Accreditation in 2030-2031. Likewise, our Associate Degree Nursing program received a similar visit and result from its national accrediting body in Fall 2020.

Lake Region State College students thrived in co-curricular and extracurricular activity with students nominated to participate in a regional theater, marketing students qualifying for the International Career & Development Conference

For years, Lake Region State College has increased its footprint in delivering education to the northeast part of North Dakota, and statewide with high-demand programs. The demand for nurses continues throughout healthcare facilities in North Dakota. Successful sites operate at the LRSC campus, Grand Forks and Mayville. Lake Region State College also continues to partner with Mayville State University to deliver nursing education in Mayville. Students can earn practical nurse and associate degree nurse degrees from LRSC in Grand Forks and Mayville and continue their nursing education through the Bachelor of Science in Nursing at Mayville State University. LRSC has the only Paramedic-to-Nurse bridge program in North Dakota. Upon successful completion of the Paramedic-to-Nurse bridge program, students can obtain a practical nurse degree and are eligible to test for practical nurse licensure.

Since 1987, Lake Region State College has offered its Peace Officer Training program in Devils Lake. A summer academy operated in Fargo from 2002-2019. Another summer academy started in Grand Forks in 2009 and continues to be successful. A spring semester academy was launched in Minot in 2012. Since then, the Devils Lake-based academy has been offered only in the fall. This spring semester, the Minot academy moved to Devils Lake due to COVID. All of these outreach sites are the results of partnerships with numerous law enforcement agencies and local governments to meet the need for peace officers. With these academies, new licensable peace officers enter the workforce each year.

Since the last session, the campus has seen growth and accomplishment. One big area of growth is in the apprenticeship sector. In 2019, Lake Region State College and the Department of Labor

entered into an agreement giving LRSC the ability to host apprenticeships. With the initial agreement, the Department of Labor recognizes LRSC's ability to provide apprenticeships in four areas. Those areas are IT Specialist, IT Cyber Support Technician, Electronics Technician, and Electromechanical Assembly. That has now grown to include Certified Nurse Assistant, Practical Nurse, and Associate Degree Nurse. We are partners with a handful of medical facilities from rural long-term care facilities, regional clinics, to larger health organizations such as Altru and Sanford. Other industry partners for apprenticeship arenas include CAE, Northrop Grumman, and ND ITD.

Grants are helping us grow the image for apprenticeships. Lake Region State College has been working closely with ND Career & Technical Education with apprenticeships and a grant NDCTE received from the Department of Labor. Funds will be utilized to increase the percentage of non-traditional student/apprentices including females, under-served ethnic and race groups, the disabled, and military personnel and their spouses. Lake Region State College also is applying for funds through Otto Bremer Trust to build career pathways and address workforce shortages through nursing apprenticeships.

Lake Region State College continues increase student retention with targeted services. Our TRiO Student Support Services and Student Success Services has been instrumental in keeping those numbers high. We are in the middle of a five-year grant cycle for our federal TRiO grant program. TRiO works with students who are first-generation college students, students with disabilities, and students with income barriers to higher education. These students receive advising, early registration, tutoring, and a multitude of other services through TRiO. Similarly, students who may not be TRiO eligible can be served through our Student Success Center. Together, these two programs have increased successful retention and transfer outcomes for our students.

Lake Region State College now has a state-of-the-art center for its Precision Agriculture program. The program continues to thrive and has added enhancements to learning thanks to a CHS Innovative 40 Grant to be used for the purchase of state of the art precision ag equipment such as a planter, UAS camera and software, which will capture crop growth imagery to evaluate planter technology and plant health on the 40-acre test field.

Likewise, from past appropriations and fundraising, LRSC nursing, electronics, and automotive technology students study in a high-tech facility, the Bergstrom Technical Center.

A declining population base in the surrounding communities continues to concern Lake Region State College as we strive to address the demographic issues facing the state as a whole. The college continues to be entrepreneurial in its outreach efforts to ensure adequate enrollment to sustain the college infrastructure and basic services.

Strategic planning is a high priority and a key component to our plan is to expand LRSC's presence in Grand Forks. LRSC began to offer dual credit courses in the Grand Forks Public School System in the fall of FY 2011 and has continued to expand. LRSC rented space across the street from the Altru Hospital and offered its Nursing program for the first time in Grand Forks in Fall 2014. LRSC established its Launch program on the campus of UND in the fall of FY

2010 and continues to prepare underprepared students who wish to transfer to UND. LRSC's Launch program has been a successful component for increased student retention.

LRSC is a post-secondary partner in 4 new / expanded CTE centers Grand Forks, Devils Lake, Grafton, Jamestown) awarded funding, but waiting for the Federal Government to release the funding.

Our ultimate goal is to provide vocational and technical training opportunities in Grand Forks and stem the tide of ND residents attending MN institutions for training.

Lake Region State College already works closely with the Lake Area Career and Technology Center and there is potential to create additional opportunities in high-demand career and tech programs. Funds to expand career academies here in Devils Lake and in Grand Forks similar to the Career Academy in Bismarck would create more options for students.

The North Dakota Higher Education Challenge Grant Fund has benefitted Lake Region State College in many ways. The college's named endowment program that enhances scholarships and/or programs has grown substantially through this program. In addition, many donors were inspired to boost the size of endowments they had already established. In 2022, funding from these endowments and other sources provided scholarships totaling over $400,000. Endowments providing program support enabled our faculty to continuously improve student learning outcomes. In addition to new funding for the named endowment program, the match opportunity increased other private-sector support for scholarships and programs and helped provide instructional technology for the new Bergstrom Technical Center. Programs such as the Dakota Nursing Program, Automotive Technology, Wind Energy Technician, Simulator Technology, American Sign Language and Interpreting Studies, and Precision Agriculture are utilizing new and improved technology, and the newly completed learning commons and the auditorium/lecture bowl have both received technology updates.

Lake Region State College took the opportunity to match donations through the Higher Ed Challenge Grant. Our Community College Foundation staff and board worked efficiently to increase endowment funds and other gifts eligible for the criteria of the fund. During this latest campaign, I’m proud to say that LRSC has submitted applications for a total of $700,000. This generates $350,000 of matching funds from the state and submitted a request for additional matches from the available pool funding. These funds will help ensure student success and support vital program needs

The college is having success enhancing our programs through external funds. We are finishing up the Otto Bremer grant for nursing in March of 2023 (getting the nursing classes all online). We received $300,000 from the state to develop and deliver certifications in community paramedicine. It will be a new academic degree for LRSC which articulates up to our LPN program.

The college also is applying DOL grants. One is for youth apprenticeships and the other is a Nursing Expansion grant to add another nursing apprenticeship in home health/community health worker tracks and a National Science Foundation grant to support modernization of our IT

curriculum (including coding, data analytics, and programable controllers to meet current and future workforce skills and knowledge) cross-cutting courses for wind energy, nursing, simulation and precision ag. At the invitation of President Flanigan, we participated in a joint application for a DOL Strengthening Community Colleges grant. Institutions participating included: NDSCS, BSC, WSC, LRSC, TMCC.

We have been able to build some positive relationships with community leaders, businesses and economic development organizations, the school systems in our service area, our local and regional legislators, and we have strengthened relationships with North Dakota University System colleges and universities. We work closely with regional economic developers when new businesses are being recruited to locate in the area and directly with established businesses looking to expand.

As we build partnerships, we also build efficiencies.

- Our Peace Officer Training program is a great example of efficiency. Lake Region State College works with law enforcement agencies throughout the state to deliver a quality product in the four major cities in North Dakota as well as at LRSC. Students then have the option of saving the cost of room and board if they can commute to one of these locations.
- The Dakota Nursing Program is a joint program with one director and shared faculty at BSC, LRSC, DCB, and WSC. Instruction is delivered to Mayville, Grand Forks, Minot, Valley City, Rugby, Harvey, Hazen, New Town, and other communities. Thanks to a donation from CHI/St. Alexius, the DNP launched a social media campaign this fall to enhance awareness of the nursing education opportunities available throughout North Dakota.
- The Northern IT Consortium – comprising IT departments at LRSC, WSC, DCB, TMCC, and soon MiSU – jointly delivers common IT courses and specialty IT courses using North Dakota IVN and online delivery methods.

The personnel needed to respond to programmatic and administrative needs of North Dakota continues to be a challenge because of funding limitations. Much of the institution's growth in programmatic opportunities provided to North Dakota citizens has been the result of LRSC's innovation and effective use of non-appropriated funding to explore new venues and modes of delivery. Maintaining enrollments will require additional staffing focused on educating the general public on the unique educational opportunities available at LRSC. Increased state appropriations through the higher education funding formula have been greatly appreciated.

Much of rural North Dakota is threatened by demographic changes including population decline. Northeast North Dakota is still seeing declining enrollment in K-12 schools. Lake Region State

College has seen steady enrollment despite the declining population of seniors in high schools in northeast North Dakota, indicating LRSC offers programs that are meeting the educational needs of students and industry in the area.

Lake Region State College stresses collaboration with its sister institutions and economic development partners. Both are needed to have an impact on the growth and retention of population in the northeast region of North Dakota. Earlier stated examples show the variety of partnerships we have with other institutions. The link between economic development and access to education is especially important, because in rural areas, low levels of educational attainment and high poverty are barriers to development that must be addressed simultaneously if the local economy is to thrive.

Lake Region State College is the educational hub of the central region of northeast North Dakota and is vital to addressing the needs for workforce development, to collaboration with economic development for retention of employers, and for developing entrepreneurs and strengthening the sharing of resources with our P16 partners for student educational success. LRSC played a key role in development of the Northeast Educational Services Cooperative Regional Education Association and continues to be an active partner with 23 K-12 school members.

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## BUDGET REQUEST FOR 2021-2023 BIENNIUM

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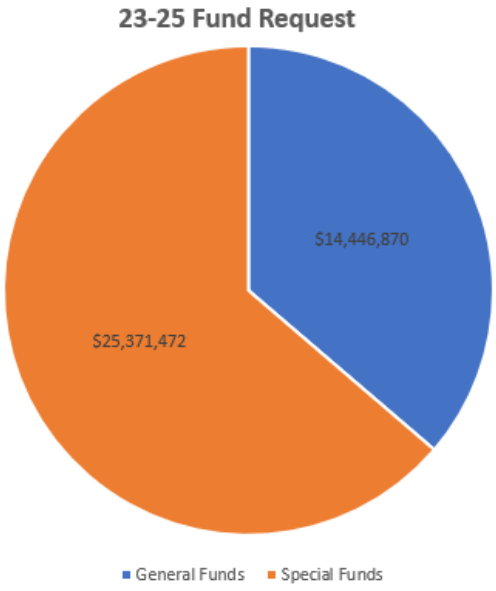


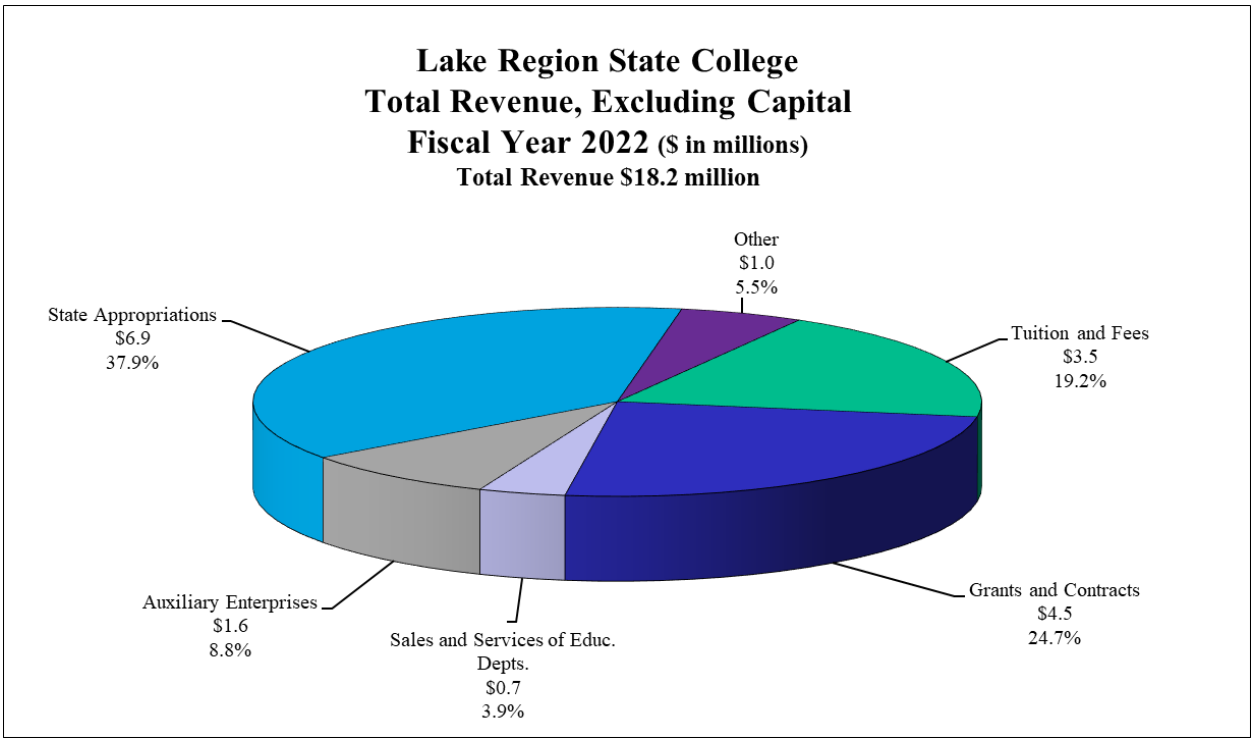

We do all of this with a budget of just over $13 million in state appropriations each biennium. Lake Region State College already runs a tight ship, which makes additional cuts extremely hard to make.

The main objectives of Lake Region State College are threefold:

- To provide affordable, high quality instruction in curricular areas approved by the Board of Higher Education
- To provide access to community and state-wide educational services at the collegiate level
- To provide an atmosphere of scholarly activity wherever its services are delivered

In addition to the instructional services provided to carry out its objectives, the college maintains other support services required to meet the needs of all students and student groups, to provide leadership and direction, and to coordinate all institutional affairs and operating guidelines in compliance with the policies and regulations established by the Board of Higher Education, the State of North Dakota, and the federal government.

Physical facilities are planned and maintained to create an operating environment conducive to learning through the most economical means possible. In the summer of 2022, LRSC upgraded air conditioning and siding of the Gilliland Residence Hall.



Earlier this summer we encountered a major operation issue with the 10-year-old wind turbine that not only provides power to the LRSC Campus, but is a live lab learning experience for students in the program. Upon inspection, we were in need of a- new gearbox, which was costly and a low inventory item. Because of the wait for replacement, the turbine was down for six months. The extensive down time is affecting finances in three aspects.

1. Increase utility costs purchasing power from OCTP. ($33,833)
2. The cost of replacing the Gearbox.
3. Decreased revenue for energy that is sold. ($43,530)

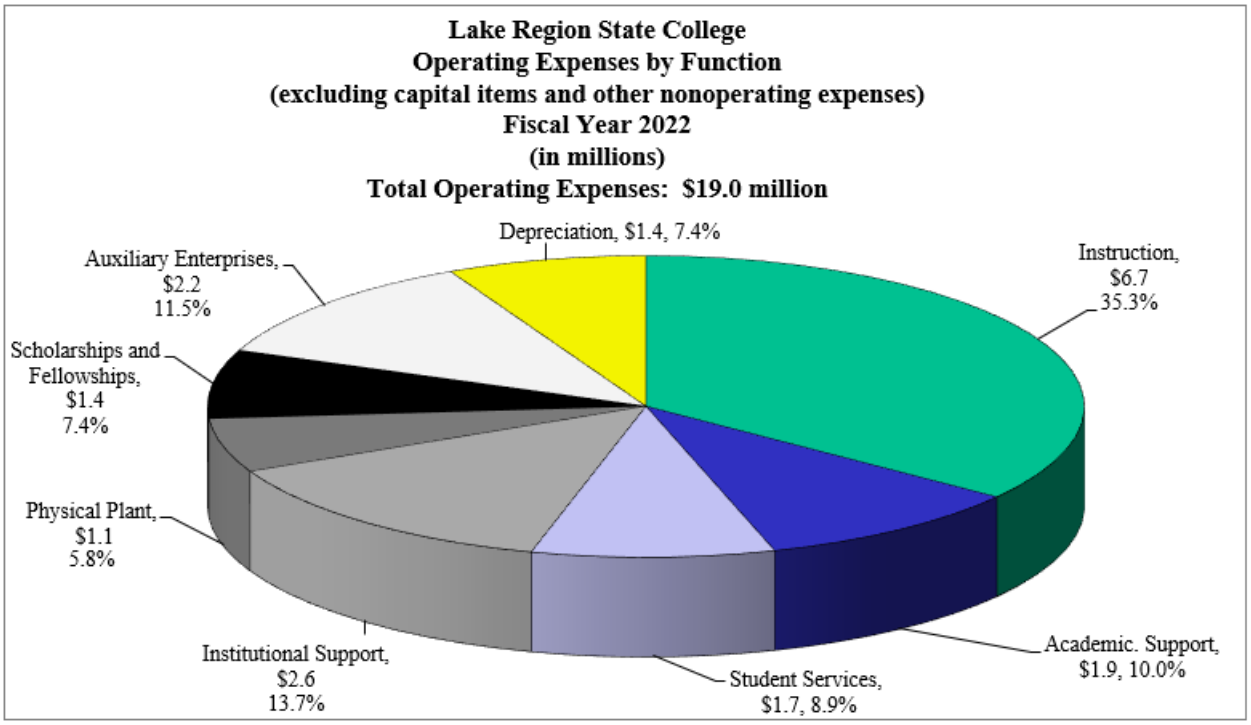
The total parts and labor cost for the Gearbox project was $579,284.25 and it is now operational.

Since the pandemic and the unknowns after it, Since the pandemic and instability of enrollment after it, Lake Region State College cautiously reviews any positions that become vacant from resignation or retirement. In many cases we've requested current employees or departments to absorb work instead of filling a vacancy. The employees at Lake Region State College are dedicated and invested in the mission of the college. Many individuals wear multiple hats because of that dedication. Since we already operate a lean machine, additional budget cuts would be devastating to the college and likely result in the loss of additional talented employees.

Our mission for Lake Region State College is to provide quality academic education, vocational/technical training, workforce training, outreach opportunities, and lifelong learning.

As we look ahead to the next biennium, we have many challenges to our mission. Similar to other colleges in the North Dakota University System, we have the continuing challenge of adjusting to the state's demographic shifts while also developing programming and services to meet the state's emerging needs.

We recognize the budget challenges you are facing. The current funding model for higher education is the most equitable model we have ever used.




Auxiliary Enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing.

Sales and Services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are advertising in campus publications, fees for conferences organized by the institution and ticket sales for campus theatrical and musical events.

The instructional function includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. Academic support includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. Student services include offices that provide a specific service to students, including career services, registration, admissions and counseling. Institutional support includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The physical plant function includes upkeep, maintenance and utilities for campus facilities. Scholarships and fellowships include aid provided to students. Auxiliary enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing. Depreciation represents the non-cash expense of capitalized assets over time. Public service includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The Research function is activities specifically organized to produce research.

## AUDIT

For the biennium ended June 30, 2021, LRSC received an audit recommendation for “not following state procurement rules”. LRSC agreed to the following:

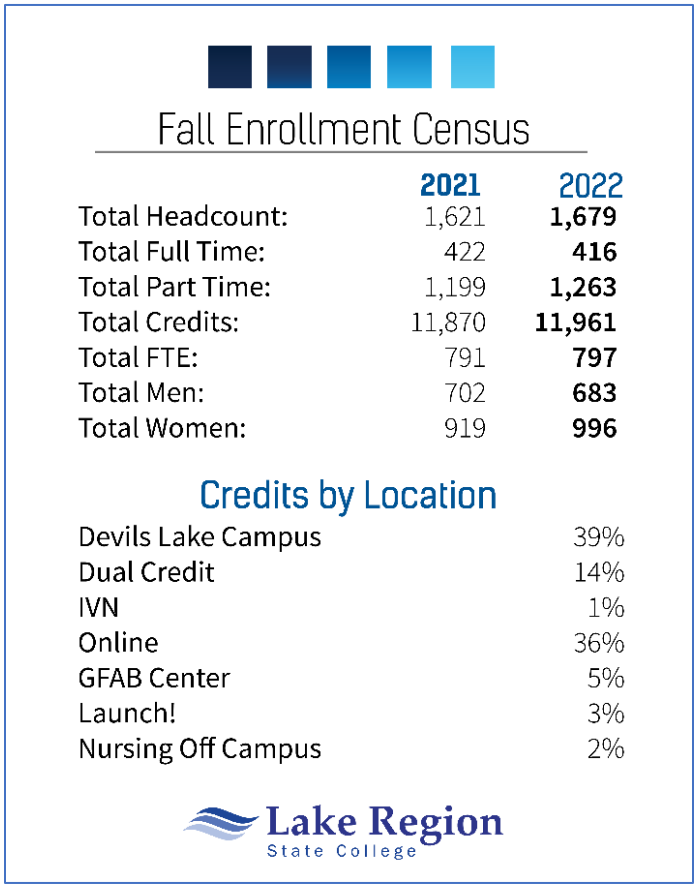
1. Require directors and department leads to complete the Level 2 Procurement training.
2. The new Controller would receive training through Level 4.
3. The procurement officer will send out quarterly emails regarding procurement rules.
4. Prior to the purchase of any item greater than $9,999, a procurement officer shall sign off that the procurement policy was followed.

The progress towards these changes is moving along with the following goals achieved:

1. The new Controller has received the training through Level 4.
2. The three new directors are working on the training.
3. Other directors have completed level 2 training.
4. Quarterly procurement emails started in October 2022.

## ENROLLMENT

Smaller campuses like Lake Region State College create large impacts on its regional and state employers. Our campus-based students continue to mostly be from the northeast part of North Dakota. In the Fall of 2022, 1,431 students were from one of North Dakota's counties with Grand Forks, Ramsey, Walsh, Pembina, Benson, Cass, and Foster with the highest enrollments. Thanks to our dual credit program we have a student from almost every county.



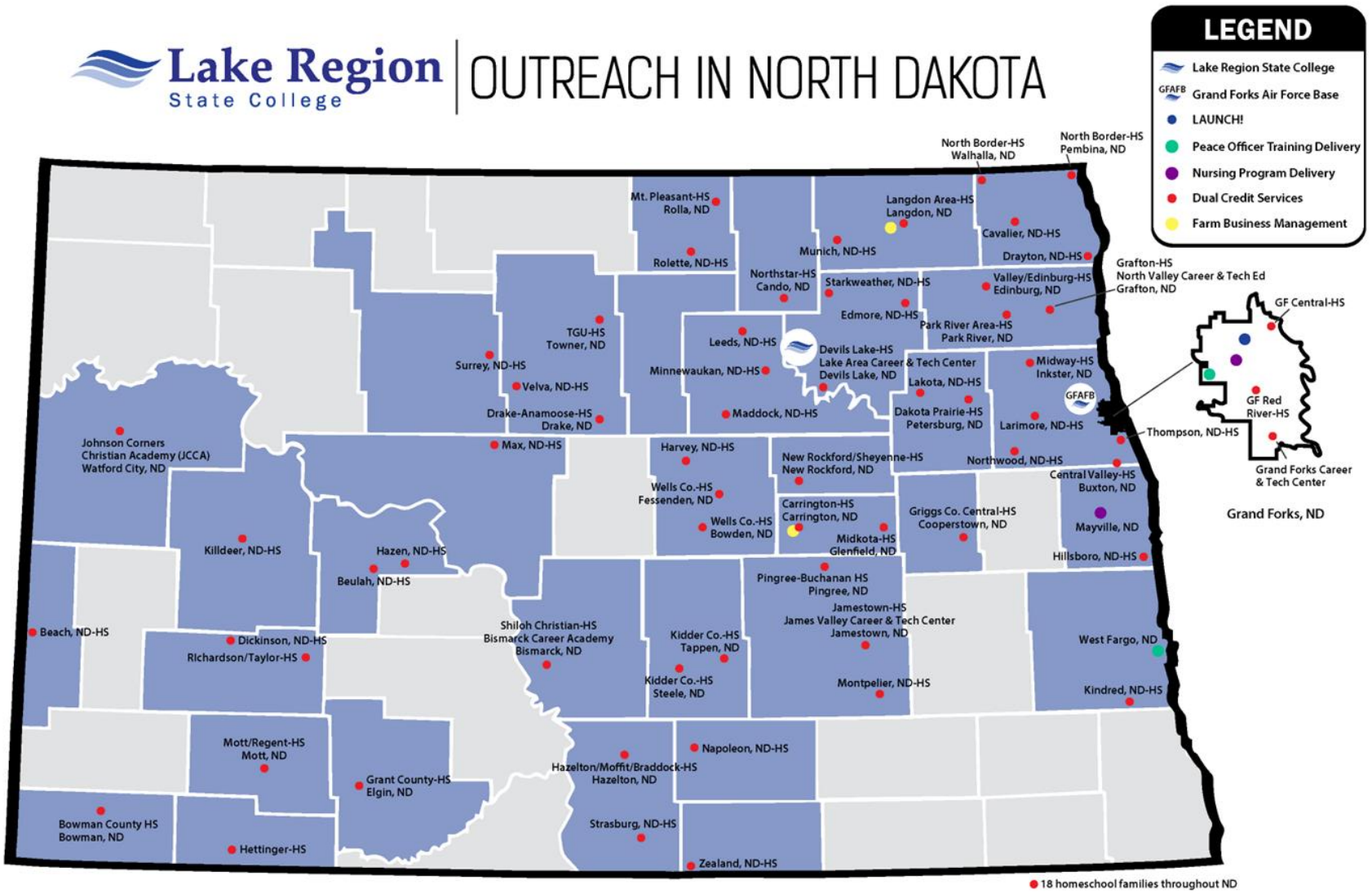

Our Fall 2022 enrollment showed bounced back slightly after two consecutive years of drops, which we attribute mostly to the pandemic. Lake Region State College had 1,679 students enrolled compared to 1,621 in Fall 2021. With the pandemic, outreach to future students changed drastically. Delivery of courses at our Grand Forks Air Force Base site transitioned to online only, impacting enrollments.

The inability to not hold in-person events like our popular Career & Technical Education Day made a big impact on reaching potential students. Students who express interest and tour our campus almost always commit to attending LRSC. The welcoming feeling is that apparent on our campus.

With the pandemic, many young adults chose to hold off on college or selected a route different than Lake Region State College and high school students eligible to take college courses while in high school held off on adding one more thing in a tumultuous time.

Although the number of schools we work with has increased, the overall number of students enrolled has remained comparable to last biennium. These courses serve two purposes; they simultaneously count toward high school and college graduation requirements. LRSC delivers dual credit courses to the schools that are indicated by the small red dots on the above map. The larger dots represent various programs we currently deliver on site, incurring additional delivery expenses for renting space and employing faculty and staff to deliver in-demand programs to Grand Forks, Langdon, Mayville, and Minot.

# Lake Region State College | OUTREACH IN NORTH DAKOTA



## Economic Impact and Partnerships

Lake Region State College is a vital part of Devils Lake and the northeast sector of North Dakota area providing economic and quality-of-life opportunities for residents. Lake Region State College is an integral part of the regions' economy. Total economic contribution results from institution expenditures, student spending, and spending of area residents employed by the college.

Institutions like Lake Region State College contribute to the state and local economies through expenditures for goods and services and through personal spending by employees and students. Previous studies have estimated the economic contribution of the NDUS back to fiscal year (FY) 1999.

In the most recent economic contribution of the North Dakota University System study (conducted by Nancy M. Hodur and Dean A. Bangsund), Lake Region State College continues to place a strong footprint on the region's economy. Direct effects from General and Non-general expenditures were $18.2 million in FY2021. Secondary effects (indirect and induced) totaled $14.8 million. Total direct and secondary effects from Lake Region State College expenditures for wages and salaries, operations, and capital expenditures from General and Non-general fund expenditures were $33.0 million in FY2021. A substantial portion of total (direct and secondary) economic effects were a result of non-general fund expenditures.

# Quick Data

## 2022-2023

## Lake Region State College

## ENROLLMENT

### PROGRAM ENROLLMENT

| | Fall 2019 | Fall 2020 | Fall 2021 | Fall 2022 |
|---|---|---|---|---|
| Liberal Arts (AA/AS) | 247 | 192 | 159 | 205 |
| Adult Farm Management | 101 | 88 | 70 | 57 |
| Automotive Technology | 20 | 22 | 21 | 17 |
| Business Administration | 56 | 67 | 61 | 51 |
| Early Childhood Education | 29 | 27 | 31 | 33 |
| Fitness Trainer Technician | 19 | 18 | 12 | 10 |
| Information Technology | 12 | 16 | 20 | 13 |
| Law Enforcement/POTP | 31 | 42 | 36 | 24 |
| Marketing | 7 | 3 | 8 | 8 |
| Nursing, ADN | 45 | 53 | 31 | 31 |
| Nursing, LPN | 107 | 96 | 90 | 101 |
| Precision Agriculture | 30 | 31 | 46 | 37 |
| Simulation Technology | 30 | 15 | 5 | 3 |
| Speech Language Path Para | 13 | 10 | 14 | 19 |
| Wind Energy Technician | 6 | 11 | 13 | 10 |

### FALL HEADCOUNT ENROLLMENT

Official census student headcount enrollment

| | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Full Time | 515 | 468 | 422 | 416 |
| Part Time | 1,467 | 1,303 | 1,199 | 1,263 |
| Total | 1,982 | 1,1771 | 1,621 | 1,679 |

### FULL-TIME EQUIVALENCY (FTE)

| Fall 2019 | Fall 2020 | Fall 2021 | Fall 2022 |
|---|---|---|---|
| 974 | 867 | 791 | 797 |

## DEMOGRAPHICS

### RESIDENCY

| | |
|---|---|
| Students from in state | 86% |
| Students from out of state | 11% |
| International students | 3% |

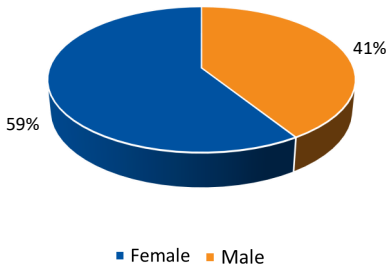
### TOP 3 STATES FOR RESIDENCY

| | |
|---|---|
| North Dakota | 1,441 |
| Minnesota | 105 |
| California | 13 |

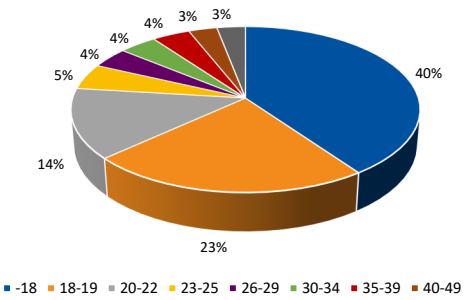
### ENROLLMENT BY ETHNICITY

| | |
|---|---|
| White | 1,181 |
| 2 or more races | 88 |
| Hispanic | 74 |
| Non-Resident Alien | 61 |
| Black | 39 |
| American Indian | 35 |
| Asian | 13 |
| Hawaiian | 0 |
| Not Specified | 188 |

### ENROLLMENT BY GENDER




### ENROLLMENT BY AGE




Note: Demographic data represents all undergraduates for Fall 2022, including full time and part time, degree seeking and non-degree seeking.

Revised 11/17/2022

# ACADEMICS

## CREDITS BY LOCATION

| | Fall 2019 | Fall 2020 | Fall 2021 | Fall 2022 |
|---|---|---|---|---|
| Devils Lake | 37% | 36% | 36% | 39% |
| Dual Credit | 14% | 14% | 14% | 14% |
| IVN | 3% | 1% | 1% | 1% |
| Online | 31% | 37% | 36% | 36% |
| GFAFB | 12% | 7% | 7% | 5% |
| Launch! | 2% | 1% | 3% | 3% |
| Nursing off campus | 1% | 4% | 3% | 2% |

## DEGREES AWARDED

July 1, 2021 through June 30, 2022

| | |
|---|---|
| Associate | 173 |
| Diploma | 4 |
| Certificate | 95 |

## AVERAGE ACT SCORE

All students with ACT results enrolled Fall 2022

| | |
|---|---|
| Composite | 21 |
| Math | 21 |
| Science | 21 |
| English | 20 |
| Reading | 21 |

## TOTAL CREDITS GENERATED

| | |
|---|---|
| Fall 2022 | 11,961 |
| Fall 2021 | 11,870 |
| Fall 2020 | 13,010 |
| Fall 2019 | 14,616 |

## PLACEMENT RATE

2020-2021 graduates; all programs

96%

# STUDENT SUCCESS METRICS

The **course completion rate** is the percentage of students enrolled in a course who do not drop or withdraw and who complete the course with a passing grade (A,B,C,D,P,S).

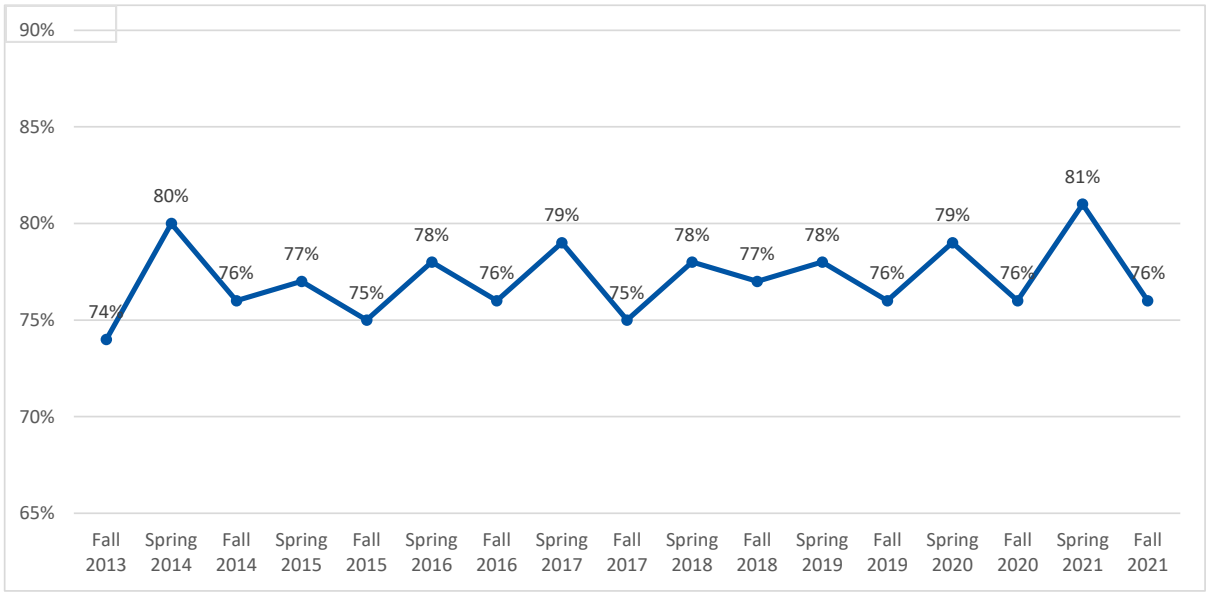
The **persistence rate** is the percentage of students enrolled in the fall semester who are either enrolled in the subsequent spring semester or graduate before the subsequent spring semester.

The **retention rate** is the percentage of students enrolled in the fall semester who are either enrolled in the subsequent fall semester or graduate before the subsequent fall semester.

The **graduation rate** is the percentage of students enrolled in the fall semester who complete a program.

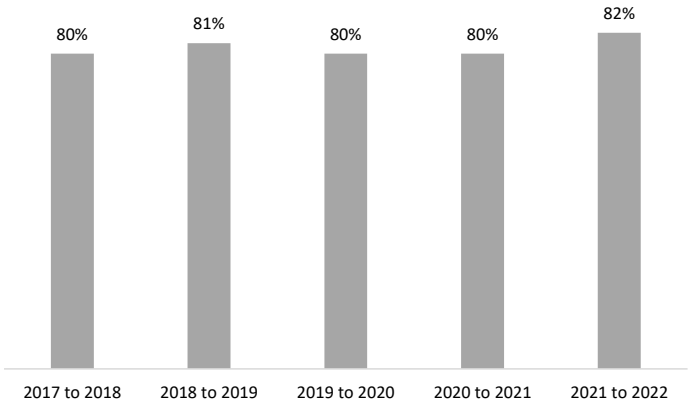
LRSC also calculates the persistence, retention, and graduation rates for various cohorts: Athletics, Delivery Mode, Ethnicity, Gender, Housing, Program. Contact Jade Erickstad, Director of Academic Affairs, for more information.

## COURSE COMPLETION RATE



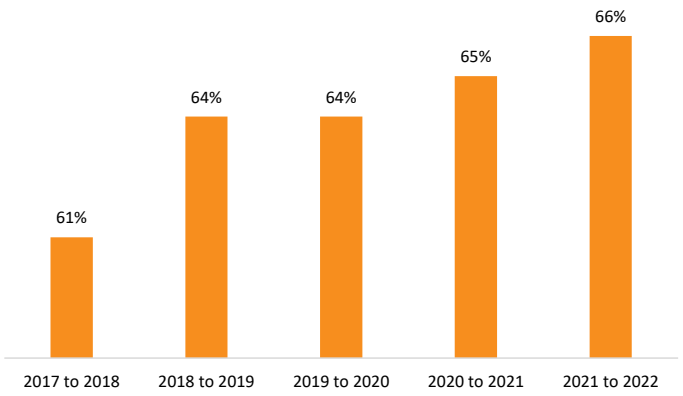
## PERSISTENCE RATE

All degree-seeking students; fall to spring persistence



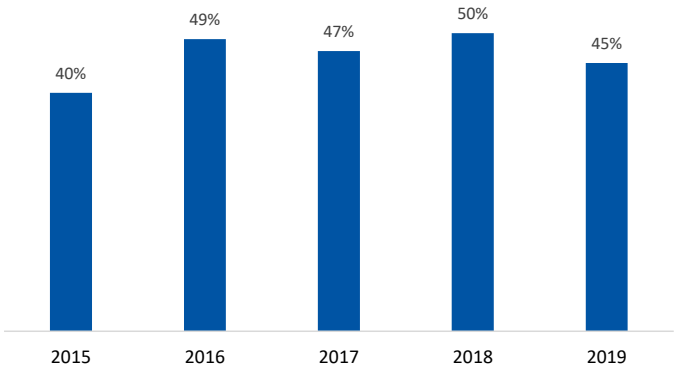

## RETENTION RATE (IPEDS)

Full-time, first-time; fall to fall retention



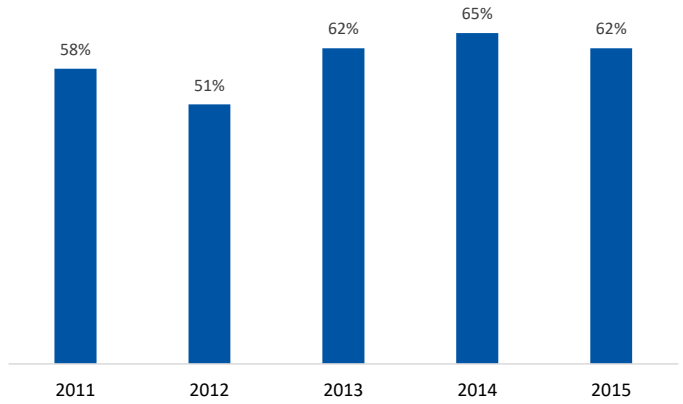

## GRADUATION RATE (IPEDS)

Full-time, first-time; graduating within 150% time of beginning a program



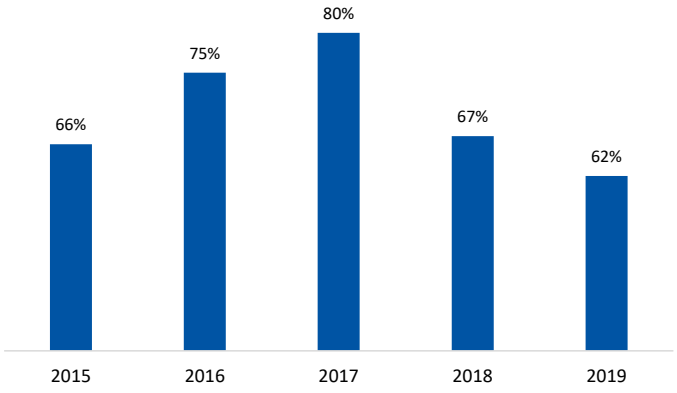

## GRADUATION RATE (SAM)

Full-time and part-time, first-time-at-institution (first-year and transfer); graduating within six years of beginning a program




## STUDENT ATHLETE GRADUATION RATE

All athletes graduating within two years of beginning a program.



NORTH DAKOTA
UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

# House Appropriations Committee
# 2021-23 Required Reporting

January 10, 2023

600 E Boulevard Department 215
Bismarck, North Dakota 58505-0230
Website: www.ndus.edu

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## LRSC – Curtis & Annette Hofstad Ag Center - $363,000

The Hofstad Ag Center is completed. It was finished 6-1-21 with a total cost of $3,000,000. The $363,000 was used to make payments to Gleason Construction towards the contract for the project.

## DCB – Old Main Renovation $2.5 million State Investment and Improvements Fund (SIIF) and $1.5 million donations:

Fund raising is progressing. Contracts are in place for the Architect and the Construction Manager. Schematic designs have been completed and construction costs are coming in significantly over budget. As a result, we have requested additional funds and are in the process of determining a path forward. Construction costs to date $211,091.00 (Architect).

## NDSU – Settlement Agreement $125,000

As outlined in SB2003, Section 2; NDSU received $125,000 in one-time funding which was authorized for the A. Glenn Hill Center settlement agreement. The amount received was remitted (7/22/2021) as per the SBHE approved settlement agreement to the general contractor, Roers Construction.

## Math Pathways - $150,000

North Dakota University System (NDUS) staff, faculty representing multiple NDUS institutions, and tribal college faculty were charged by the Chancellor's Cabinet to form a workgroup to develop a math pathways model. The workgroup first convened in May 2022. The workgroup identified four suggested mathematics pathways aligned with broad career fields and the corresponding programs of study. The four pathways or tracks include Algebra & Calculus, Finite Mathematics, Statistics, and a new course termed "Mathematics in Society". Institutions will implement any or all of the math pathways—each pathway providing the math content within the program most closely aligned with business, industry, or workforce need.

In addition, faculty are reviewing commonly numbered courses to ensure consistency in the pre-requisites and evaluating remedial courses for students who do not meet the course placement scores for introductory, degree credit mathematic courses. The workgroup has had preliminary discussions around a universal course placement test for a system-wide contract that either minimizes the cost placed on student and/or individual institutions.

Key stakeholders have been pleased to learn of the NDUS' responsiveness in creating a "Mathematics in Society" course that will be offered at several institutions starting Fall 2023. Each institution offering the course will submit the course for inclusion to meet general education requirements and to be commonly numbered. A course description and learning outcomes were outlined by faculty. A small workgroup is developing suggested content via open educational resources (OER) for the course in MyOpenMath (MOM) that can be shared among institutions.

| Description | Actual Expenditures 11/30/2022 | Projected Expenditures 6/30/2023 |
|---|---|---|
| Faculty Travel & Stipends | $44,916 | $89,916 |
| Other Expenses | 190 | 60,084* |
| Grand Total | $45,106 | $ 150,000 |

*Includes estimated cost to launch the systemwide placement assessment.

**2021-23 SB2003; HB1015; HB1431; and 2021-23 Special Session HB1505**
**2021-23 MAJOR CAPITAL PROJECTS**
**2021-23 Legislative Appropriation (SB2003, HB1015, HB1431 and SS HB1505)**

| Campus | Project | General Funds (SB2003) | SIIF Funds (SB2003) or CRF Federal Funds (HB1015) ) or ARPA (special session HB 1505) | 2017-19 GF Cash Carryover | State Bonds (HB1431) | Other Funds (SB2003) | Total Funds | Expenditures as of 11-30-2022 | Estimated Unexpended balance at 6-30-23 | Amount of balance at 6-30-23 Obligated | Project Completion Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | Polytechnic Building (SS SB 2345 Sec. 1 #15; ARPA) | | 38,000,000 | - | | - | 38,000,000 | 1,053,619 | 1,353,619 | 1,353,619 | 6/30/2025 |
| UND | Airport Apron (HB1015, Sec. 6. #3; CRF Funds - Changed to ARPA in Spec. Session HB1505 sec. 1) | | 5,000,000 | | | | 5,000,000 | 3,009,979 | 500,000 | 500,000 | 6/30/2024 |
| UND | Merrifield Hall (SS SB 2345 Sec. 1 #14; ARPA) | | 50,000,000 | | | | 50,000,000 | 1,320,219 | 30,000,000 | 24,000,000 | 6/30/2025 |
| NDSU | Agriculture Products Development Center(SB2003 & HB1431) | | | 20,000,000 | 50,000,000 | 15,000,000 | 85,000,000 | 6,560,180 | 70,000,000 | 70,000,000 | 6/30/2024 |
| LRSC | Curt Hofstad Precision Agriculture Center (SB2003-Sec. 8 - SIIF) | | 363,000 | - | | - | 363,000 | 363,000 | 0 | 0 | 6/1/2021 |
| MaSU | Boiler Conversion to Natural Gas (HB1015-Sec. 9 -GF) | 1,600,000 | | - | | | 1,600,000 | 1,500,000 | 0 | 0 | 12/31/2022 |
| MiSU | Hartnett Hall (SS SB 2345 Sec. 1 #16; ARPA) | - | 25,000,000 | - | | - | 25,000,000 | 2,467,222 | 10,000,000 | 10,000,000 | 1/31/2024 |
| VCSU | Land Purchase (SB2003) | | | | | 309,000 | 309,000 | 309,000 | 0 | 0 | 6/30/2022 |
| DCB | Old Main Renovation(SB2003-Sec. 8, SIIF) | | 2,500,000 | | - | 1,500,000 | 4,000,000 | 211,091 | 1,000,000 | 1,000,000 | 6/30/2024 |
| DSU | Pulver Hall & Other Projects(HB1015-CRF Funds Sec. 6, #4.- Changed to ARPA in Spec. Session HB1505 sec. 1) | | 4,000,000 | - | | - | 4,000,000 | 698,511 | 1,250,000 | 1,250,000 | 6/30/2024 |
| | Campus Total (SB2003 & HB1431) | $ 1,600,000 | $ 124,863,000 | $ 20,000,000 | $ 50,000,000 | $ 16,809,000 | $ 213,272,000 | $ 17,492,821 | $ 114,103,619 | $ 108,103,619 | |

## Capital Building Funds
## 2021-23 Biennium Project Expenditures of 2019-21 Carryover

### Tier II - Capital Building Fund and Match Requirement
### 2019-21 Biennium

| | Funding from Bank of North Dakota | | | Required 1 to 1 Match [1/] | | | Total BND funds & Required Match | | |
|---|---|---|---|---|---|---|---|---|---|
| Institution | Carryover Appropriation | Projects 7/1/19-6/30/21 | Balance Available | Carryover Required Match | Projects 7/1/19-6/30/21 | Balance Available | Original Appropriation & Required Match | Projects 7/1/19-6/30/21 | Balance Available |
| MaSU | $240,029 | $0 | $240,029 | $240,029 | $0 | $240,029 | $480,058 | $0 | $480,058 |
| MiSU | $572,801 | ($572,801) | $0 | $572,801 | ($572,801) | $0 | $1,145,602 | ($1,145,602) | $0 |
| DCB | $106,064 | ($106,064) | $0 | $106,064 | ($106,064) | $0 | $212,128 | ($212,128) | $0 |
| TOTAL | $918,894 | ($678,865) | $240,029 | $918,894 | ($678,865) | $240,029 | $1,837,788 | ($1,357,730) | $480,058 |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local funds

### Tier III - Capital Building Fund and Match Requirement
### 2019-21 Biennium

| | General Fund & Bank of North Dakota | | | Required 2 for 1 Match [1/] | | | Total General Funds, BND Funds & Required | | |
|---|---|---|---|---|---|---|---|---|---|
| Institution | Carryover Appropriation | Projects 7/1/19-6/30/21 | Balance Available | Carryover Required Match | Projects 7/1/19-6/30/21 | Balance Available | Original Appropriation & Required Match | Projects 7/1/19-6/30/21 | Balance Available |
| DSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| MaSU | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| MiSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $1,000,000 | $1,500,000 | ($1,500,000) | $0 |
| VCSU | $415,945 | $0 | $415,945 | $831,890 | $0 | $831,890 | $1,247,835 | $0 | $1,247,835 |
| DCB | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| TOTAL | $2,415,945 | ($1,000,000) | $1,415,945 | $4,831,890 | ($2,000,000) | $3,831,890 | $7,247,835 | ($3,000,000) | $4,247,835 |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local funds

## SB2003 Section 6

### Tier I - 2021-23 Extraordinary Repairs and Match Requirement
### Projected as of June 30, 2023

| Institution | Appropriation | Projects 7/1/21-6/30/23 | Balance Available | Original Required Match | Projects 7/1/21-6/30/23 | Balance Available | Original Appropriation & Required Match | Projects 7/1/21-6/30/23 | Balance Available |
|---|---|---|---|---|---|---|---|---|---|
| BSC | $417,673 | ($417,673) | $0 | $835,346 | ($835,346) | $0 | $1,253,019 | ($1,253,019) | $0 |
| LRSC | $155,367 | ($155,367) | $0 | $310,734 | ($310,734) | $0 | $466,101 | ($466,101) | $0 |
| WSC | $197,801 | ($141,717) | $56,084 | $395,602 | ($283,434) | $112,168 | $593,403 | ($425,151) | $168,252 |
| UND | $4,411,566 | ($4,411,566) | $0 | $8,823,132 | ($8,823,132) | $0 | $13,234,698 | ($13,234,698) | $0 |
| NDSU | $2,732,244 | ($2,732,244) | $0 | $5,464,488 | ($5,464,488) | $0 | $8,196,732 | ($8,196,732) | $0 |
| NDSCS | $1,012,379 | ($1,012,379) | $0 | $2,024,758 | ($2,024,758) | $0 | $3,037,137 | ($3,037,137) | $0 |
| DSU | $409,078 | ($409,078) | $0 | $818,156 | ($818,156) | $0 | $1,227,234 | ($1,227,234) | $0 |
| MaSU | $358,992 | ($358,992) | $0 | $717,984 | ($717,984) | $0 | $1,076,976 | ($1,076,976) | $0 |
| MiSU | $899,620 | ($899,620) | $0 | $1,799,240 | ($1,799,240) | $0 | $2,698,860 | ($2,698,860) | $0 |
| VCSU | $408,319 | ($408,319) | $0 | $816,638 | ($816,638) | $0 | $1,224,957 | ($1,224,957) | $0 |
| DCB | $114,007 | ($114,007) | $0 | $228,014 | ($228,014) | $0 | $342,021 | ($342,021) | $0 |
| **TOTAL** | **$11,117,046** | **($11,060,962)** | **$56,084** | **$22,234,092** | **($22,121,924)** | **$112,168** | **$33,351,138** | **($33,182,885)** | **$168,253** |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local and auxiliary funds; institution bonds; federal HEERF/ARPA funds.

### Tier II - 2021-23 Capital Building Fund and Match Requirement
### Projected as of June 30, 2023

| Institution | Original Appropriation | Projects 7/1/21-6/30/23 | Balance Available | Original Required Match | Projects 7/1/21-6/30/23 | Balance Available | Original Appropriation & Required Match | Projects 7/1/21-6/30/23 | Balance Available |
|---|---|---|---|---|---|---|---|---|---|
| BSC | $425,693 | ($425,693) | $0 | $425,693 | ($425,693) | $0 | $851,386 | ($851,386) | $0 |
| LRSC | $177,375 | ($150,000) | $27,375 | $177,375 | ($150,000) | $27,375 | $354,750 | ($300,000) | $54,750 |
| WSC | $137,947 | $0 | $137,947 | $137,947 | $0 | $137,947 | $275,894 | $0 | $275,894 |
| UND | $4,361,801 | ($4,361,801) | $0 | $4,361,801 | ($4,361,801) | ($0) | $8,723,602 | ($8,723,602) | $0 |
| NDSU | $2,899,596 | ($2,899,596) | $0 | $2,899,596 | ($2,899,596) | $0 | $5,799,192 | ($5,799,192) | $0 |
| NDSCS | $500,695 | ($453,295) | $47,400 | $500,695 | ($453,295) | $47,400 | $1,001,390 | ($906,590) | $94,800 |
| DSU | $268,862 | ($268,862) | $0 | $268,862 | ($268,862) | $0 | $537,724 | ($537,724) | $0 |
| MaSU | $240,029 | $0 | $240,029 | $240,029 | $0 | $240,029 | $480,058 | $0 | $480,058 |
| MiSU | $572,801 | ($572,801) | $0 | $572,801 | ($572,801) | $0 | $1,145,602 | ($1,145,602) | $0 |
| VCSU | $309,137 | ($200,000) | $109,137 | $309,137 | ($200,000) | $109,137 | $618,274 | ($400,000) | $218,274 |
| DCB | $106,064 | ($106,064) | $0 | $106,064 | ($106,064) | $0 | $212,128 | ($212,128) | $0 |
| **TOTAL** | **$10,000,000** | **($9,438,112)** | **$561,888** | **$10,000,000** | **($9,438,112)** | **$561,888** | **$20,000,000** | **($18,876,224)** | **$1,123,776** |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local and auxiliary funds; donations; institution bonds; federal HEERF/ARPA funds.

## SB2003 Section 6

**Tier III - 2021-23 Capital Building Fund and Match Requirement**
**Projected as of June 30, 2023**

| Institution | Original Appropriation | Projects 7/1/21-6/30/23 | Balance Available | Original Required Match | Projects 7/1/21-6/30/23 | Balance Available | Original Appropriation & Required Match | Projects 7/1/21-6/30/23 | Balance Available |
|---|---|---|---|---|---|---|---|---|---|
| BSC | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| LRSC | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| WSC | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| UND | $2,250,000 | ($2,250,000) | $0 | $4,500,000 | ($4,500,000) | $0 | $6,750,000 | ($6,750,000) | $0 |
| NDSU | $2,250,000 | ($2,250,000) | $0 | $4,500,000 | ($4,500,000) | $0 | $6,750,000 | ($6,750,000) | $0 |
| NDSCS | $500,000 | ($357,963) | $142,037 | $1,000,000 | ($715,930) | $284,070 | $1,500,000 | ($1,073,893) | $426,107 |
| DSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| MaSU | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| MiSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| VCSU | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| DCB | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| **TOTAL** | **$9,000,000** | **($6,857,963)** | **$2,142,037** | **$18,000,000** | **($13,715,930)** | **$4,284,070** | **$27,000,000** | **($20,573,893)** | **$6,426,107** |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local and auxiliary funds; donations; institution bonds; federal HEERF/ARPA funds.

As requested in 2021 SB2003 Section 14, each institution's five year capital building plans were updated in FY2022 and approved by the State Board of Higher Education. The five year plans for each institution are available to the committee upon request.

# 2021-23 SB2003 Section 15

## 2019-21 Carryover to 2021-23

| Campus | Carryover Category | Type of Carryover | Type of Fund | Total Carryover To 2021-23 | Expenditures as of 11-30-2022 | Total Final or Estimated Cost | Estimated Unexpended Balance of Carryover at 6-30-2023 | Project Completion or Estimated Completion Date | Explanation of How Funds were Spent |
|---|---|---|---|---|---|---|---|---|---|
| BSC | Schafer Hall Heat Pump | Capital Projects | General Fund | 53,385 | 53,385 | 53,385 | - | 6/30/2022 | Completed Schafer Hall Heat Pump |
| BSC | Polytechnic Project | Operating | General Fund | 471,613 | 471,613 | 471,613 | - | 6/30/2022 | Operational costs for Polytechnic startup |
| LRSC | Extraordinary Repairs | Capital Projects | General Fund | 103,395 | 103,395 | 103,395 | - | 10/11/2022 | Misc Small Projects & Electrical/Mechanical Upgrades |
| UND | Extraordinary Repairs | Capital Projects | General Fund | 16,482 | 16,482 | 16,482 | - | 6/30/2022 | Conveyance |
| UND | Athletics High Performance Center | Capital Projects | Other Funds | 35,000,000 | 36 | 35,000,000 | 34,000,000 | 8/31/2024 | This project is an addition to the Fritz Pollard Center. |
| UND | Memorial Union | Capital Projects | Other Funds | 5,420,409 | 5,267,064 | 80,000,000 | - | 6/30/2023 | Construction of the new Memorial Union. |
| UND | Deferred Maintenance Funding | Capital Projects | Other Funds | 15,422,786 | 11,526,510 | 30,000,000 | - | 6/30/2023 | Various Deferred Maintenance Projects in the Campus Quad |
| UND | Gamble Hall (Nistler) | Capital Projects | Other Funds | 47,413,422 | 29,340,550 | 55,000,000 | - | 6/30/2023 | Construction of the new Nistler College of Business & Public Administration |
| UND | Student Engagement Center (Gershman) | Capital Projects | Other Funds | 1,769,108 | 164,003 | 2,717,801 | - | 6/30/2022 | Renovation of the J. Lloyd Stone House; Renamed as the Gershman Graduate Center. |
| UND | Operating - CRF | Operating | Federal Funds | 55,277 | 55,277 | 55,277 | - | 11/12/2021 | COVID Relief |
| NDSU | Operating - CRF | Operating | Federal Funds | 501,265 | 501,265 | 501,265 | - | 12/31/2021 | ND CARES funding |
| NDSU | Barry Hall Renovation | Capital Projects | Other Funds | 457,255 | 59,820 | 2,602,565 | - | 9/30/2022 | Barry Hall renovation, project under budget and complete. |
| NDSU | Indoor Practice Facility | Capital Projects | Other Funds | 35,507,893 | 31,609,984 | 50,000,000 | 3,000,000 | 11/30/2023 | Indoor practice facility, carryover due to supply chain issues. Completion expected during FY2024. |
| NDSU | Softball Indoor Facility | Capital Projects | Other Funds | 2,000,000 | 133,472 | 2,600,000 | 1,866,528 | Project on hold, not started | Expenses are for architect fees, project on hold due to estimated costs exceeding authorization/donor funding. |
| NDSU | University Village Replacement-PH 2 | Capital Projects | Other Funds | 37,600,000 | - | 37,600,000 | 37,600,000 | Project on hold, not started | N/A-Project on hold, not started. |
| NDSU | Sugihara Hall | Capital Projects | General Fund | 4,794,619 | 2,639,896 | 8,000,000 | 55,000 | 9/30/2023 | Science building for Chemistry, Biochemistry, Earth, Environmental and Geospatial sciences. Replacement for Dunbar Hall. Supply line delay, project is substantially complete and in use. |
| NDSU | Ag Products Dev Center | Capital Projects | General Fund | 19,999,909 | 3,882,871 | 20,000,000 | 15,417,038 | 6/30/2024 | Architect fees, this is part of the overall project authorized at $85m; GF $20m, State Bonds $50m, Other $15m. |
| NDSU | Extraordinary Repairs | Capital Projects | General Fund | 251,571 | 200,233 | 2,732,244 | - | 6/30/2023 | Street/Water/Sewer replacements, windows replace, roof repairs, other misc repairs. |
| NDSU | Sugihara Hall | Capital Projects | Other Funds | 17,442,666 | 14,242,666 | 40,000,000 | - | 9/30/2023 | Science building for Chemistry, Biochemistry, Earth, Environmental and Geospatial sciences. Replacement for Dunbar Hall. Supply line delay, project is substantially complete and in use. |
| NDSU | Sudro Hall Addition | Capital Projects | Other Funds | 3,450,856 | 44,631 | 24,593,775 | - | 2/1/2022 | Addition to Sudro Hall, project is complete and under budget. |
| NDSU | Tier II | Capital Building Fund | Other Funds | 2,147,465 | 2,147,465 | 2,899,596 | - | 12/1/2022 | Residence Hall(s) maintenance and repairs; elevators, tunnels, other misc repairs. |
| NDSU | Tier III | Capital Building Fund | Other Funds | 1,733,025 | 1,524,554 | 1,750,000 | - | 6/30/2023 | Residence Hall(s) maintenance and repairs; bathroom restoration/updates, elevators, other misc repairs. |
| NDSU | Tier III | Capital Building Fund | General Fund | 500,000 | 500,000 | 500,000 | - | 12/1/2022 | Residence Hall(s) maintenance and repairs; bathroom restoration/updates, elevators, other misc repairs. |
| NDSCS | Tier II/III | Capital Building Fund | General Fund | 111,111 | 111,111 | 111,111 | - | 12/31/2021 | Variety of campus improvement projects, classroom updates, roof repairs, etc. |
| NDUS Office | System Governance | Operating | General Fund | 866,849 | 276,880 | 494,779 | 372,071 | 6/30/2025 | $110,584 Financial Aid System upgrades/development; $3,730 office equipment and remodel/redesign; $26,390 software licenses (Steel Compliance Software/Adobe Licenses); $7,088 DDA Expenses; $115,787 salaries and leave payout; $13,302 employee training |
| NDUS Office | Tier II-III Capital Building Fund-0545 | Capital Projects | Other Funds | 3,334,839 | 1,572,801 | 1,678,865 | 1,655,974 | 6/30/2025 | Transferred to the Capital Building Fund with State Investment Board (SIB) per 2021 SB2033 (See 2019-21 Tier II & Tier III report) |
| NDUS Office | Student financial assistance grants | Financial Aid | General Fund | 956,785 | 956,785 | 956,785 | - | 6/30/2022 | Fully expended during the FY22 on the Student financial assistance grants. |
| NDUS Office | Scholars program | Financial Aid | General Fund | 470,269 | 470,269 | 470,269 | - | 6/30/2022 | Fully expended during the FY22 on the Scholars program. |
| NDUS Office | Native American scholarships | Financial Aid | General Fund | 23,097 | 23,097 | 23,097 | - | 6/30/2022 | Fully expended during the FY22 on the Native American scholarships. |
| NDUS Office | CTS - CRF | Operating | Federal Funds | 170,158 | 170,158 | 170,158 | - | 6/30/2022 | Instructional design resources and classroom and other facility restructuring. |
| NDUS Office | Academic and CTE scholarships | Financial Aid | General Fund | 422,278 | 422,278 | 422,278 | - | 6/30/2022 | Fully expended during the FY22 on the Academic and CTE scholarships. |

# 2021-23 SB2003 Section 15

## 2019-21 Carryover to 2021-23

| Campus | Carryover Category | Type of Carryover | Type of Fund | Total Carryover To 2021-23 | Expenditures as of 11-30-2022 | Total Final or Estimated Cost | Estimated Unexpended Balance of Carryover at 6-30-2023 | Project Completion or Estimated Completion Date | Explanation of How Funds were Spent |
|---|---|---|---|---|---|---|---|---|---|
| NDUS Office | Professional student exchange program | Financial Aid | General Fund | 1,510,378 | 1,510,378 | 1,510,378 | - | 6/30/2022 | Fully expended during the FY22 on the Professional student exchange program. |
| NDUS Office | Student mental health | Operating | General Fund | 32,051 | 32,051 | 32,051 | - | 6/30/2022 | Supervisor counseling contracts, mental health crisis hotline and eCHUG subscription. |
| NDUS Office | Shared Campus Services | Operating | General Fund | 20,715 | 20,715 | 20,715 | - | 6/30/2022 | WICHE/MHEC Membership dues and OER Course Development |
| DSU | Theodore Roosevelt Digitalization | Capital Project | General Fund | 4,588 | 4,588 | 4,588 | - | 6/30/2022 | Equipment was purchased to facilitate the digitization of the files, etc. |
| DSU | Pulver Hall Renovation - Bonds | Capital Building Fund | Other Funds | 936,950 | 936,950 | 936,950 | - | 9/30/2022 | The Lowman Walton (Pulver Hall) Hall was completed in late summer and is in use. |
| DSU | Operating | Operating | General Fund | 484,302 | 484,302 | 484,302 | - | 7/31/2021 | Final operating draw for the 6/30/2021 biennium drawn in July 2021. |
| DSU | Operating - CRF | Operating | Federal Funds | 564,057 | 564,057 | 564,057 | - | 2/18/2022 | CRF expenses used for Covid related expenses |
| MaSU | Extraordinary Repairs 17-19 | Capital Projects | General Fund | 7,437 | 7,437 | 7,437 | - | 6/30/2022 | Natural Gas Boiler install |
| MaSU | Extraordinary Repairs 19-21 | Capital Projects | General Fund | 358,992 | 163,013 | 358,992 | - | 6/30/2022 | Numerous capital projects: roofing, semi access, card access, energy audit, landscape improvements, nursing remodel, campus center HVAC |
| MaSU | Operating - CRF | Operating | Federal Funds | 393,287 | 393,287 | 393,287 | - | 6/30/2022 | Remodels |
| MaSU | Natural Gas Boiler - SB2003 Sec. 7 Emergency | Capital Project | General Fund | 1,600,000 | 474,443 | 1,600,000 | - | 12/31/2022 | Natural gas boiler completion and online |
| MiSU | Extraordinary Repairs 19-21 | Capital Projects | General Fund | 224,905 | 85,065 | 224,905 | - | 6/30/2023 | Various improvement projects across campus and repair of the boiler |
| MiSU | Extraordinary Repairs 17-19 | Capital Projects | General Fund | 575,304 | 525,128 | 575,304 | - | 6/30/2023 | Various improvement projects across campus, semi-annual payment of energy efficiency project, and HVAC control upgrade |
| VCSU | Operating - CRF | Operating | Federal Funds | 61,147 | 61,147 | 61,147 | - | 12/31/2021 | CRF expenses used for Covid related expenses |
| VCSU | Extraordinary Repair Match | Capital Projects | General Fund | 337,590 | 337,589 | 337,589 | 1 | 6/30/2022 | Variety of campus improvement projects, classroom updates, power house repairs, roof repairs, etc. |
| VCSU | Center for Arts | Capital Projects | Other Funds | 12,303,834 | 11,224,831 | 12,303,834 | - | 1/31/2023 | Funds spent on building of the Center for Fine Arts. |
| VCSU | Activated Carbons | Capital Projects | Other Funds | 22,500,000 | - | - | 22,500,000 | Project on hold, not started | project on hold; authority to continue to move forward needed in 2023-25 biennium |
| VCSU | Tier II/III | Capital Building Fund | General Fund | 309,137 | 309,137 | 309,137 | - | 6/30/2022 | Variety of campus improvement projects, classroom updates, power house repairs, roof repairs, etc. |
| VCSU | Tier II/III | Capital Building Fund | Other Funds | 393,191 | 393,191 | 393,191 | - | 6/30/2022 | Variety of campus improvement projects, classroom updates, power house repairs, roof repairs, etc. |
| DCB | Operating - CRF | Operating | Federal Funds | 17,095 | 17,095 | 17,095 | - | 6/30/2022 | Ventilation improvements |
| DCB | Extraordinary Repairs 19-21 | Capital Projects | General Fund | 72,075 | 72,075 | 72,075 | - | 6/30/2022 | Repair ventilation shaft Old Main |
| DCB | 15 - '17E Repair | Capital Projects | General Fund | 68,129 | 68,129 | 68,129 | - | 6/30/2022 | Repair ventilation shaft Old Main |
| DCB | 17 - '19 E Repair | Capital Projects | General Fund | 78,977 | 28,879 | 78,977 | 50,098 | 6/30/2025 | Repair ventilation shaft Old Main |
| DCB | NSC II/boiler/Dining Center | Capital Projects | General Fund | 87,293 | 65,788 | 87,293 | - | 6/30/2023 | NSC boiler dining center |
| DCB | Knudson Dining Center -State Bonds | Capital Projects | Other Funds | 2,500,000 | 2,500,000 | 2,500,000 | - | 7/31/2022 | bonding for new dining center |
| Forest Service | Operating | Operating | General Fund | 378,059 | 227,376 | 378,059 | - | 6/30/2023 | Funds were used for extraordinary repairs, equipment and other one-time operating expenses. |
| | | | **Total General Funds** | $ 35,191,295 | $ 14,544,389 | | $ 15,894,208 | | |
| | | | **Total Other & Federal Funds** | $ 249,095,985 | $ 114,450,816 | | $ 100,622,502 | | |
| | | | **Total Carryover All Funds** | $ 284,287,280 | $ 128,995,204 | | $ 116,516,710 | | |

| 2021 SB2003 Section 22: |
|---|
| Authorizes appropriation line item transfers from operations to capital assets with SBHE approval. |
| Required reporting to legislature and OMB. |

# 2021-23 Institution General Fund Transfer from Operations to Capital

**SB2003 Section 22 authorizes OMB to transfer appropriation authority from Operations to the Capital Assets line item of the Institutions with State Board of Higher Education approval. Required reporting to legislature and OMB.**

| SBHE Meeting Date | Institution | General Fund Transfers | Project Description |
|---|---|---|---|
| 8/19/2022 | VCSU | $816,638 | **Deferred Maintenance Projects:** Roof repairs; powerhouse repairs; ADA compliance upgrades; classroom and office remodels; McFarland 3rd floor classroom and office remodel; McFarland hallway updates; sidewalk replacement; press box repairs and other miscellaneous projects. |

## 2021-23 SB2030 - One-Time Funding
## ND Higher Education Challenge Grant Fund

| Institution | Total Available per NDCC 15-10-48 & 49 and SB2030 | Expenditures as of 12/31/22 | Remaining Available Institution Specific Grant Awards |
|---|---|---|---|
| **BSC** | $ 950,000 | $ 911,319 | **$ 38,681** |
| **DCB** | 350,000 | 130,988 | **$ 219,012** |
| **DSU** | 700,000 | 700,000 | **$ -** |
| **LRSC** | 350,000 | 350,000 | **$ -** |
| **MaSU** | 700,000 | 580,797 | **$ 119,203** |
| **MiSU** | 950,000 | 891,175 | **$ 58,825** |
| **NDSCS** | 950,000 | 701,883 | **$ 248,117** |
| **NDSU** | 1,700,000 | 1,700,000 | **$ -** |
| **UND** | 1,700,000 | 1,700,000 | **$ -** |
| **VCSU** | 700,000 | 577,068 | **$ 122,932** |
| **WSC** | 350,000 | 350,000 | **$ -** |
| **UND School of Law** | 250,000 | 250,000 | **$ -** |
| **UND SMHS** | 1,500,000 | 1,500,000 | **$ -** |
| **Total** | **$ 11,150,000** | **$ 10,343,230** | **$ 806,770** |

| 2021-23 Special Session HB1505 & SB2345 | | | | | |
|---|---|---|---|---|---|
| Campus | Project | Appropriated Federal Fund ARPA (special session HB1505 & SB2345) | Expenditures as of 11-30-2022 | Amount of balance anticipated to be expended and obligated as of 12-31-24 | Project Completion Date |
| NDSU | High Performance Computing (SB2345) | 1,600,000 | 898,294 | 1,600,000 | 12/31/2024 |
| UND | Merrifield Hall (SB2345) | 50,000,000 | 1,320,219 | 50,000,000 | 6/30/2025 |
| BSC | Polytechnic Building (SB2345) | 38,000,000 | 1,053,619 | 38,000,000 | 6/30/2025 |
| MiSU | Hartnett Hall (SB2345) | 25,000,000 | 2,467,222 | 25,000,000 | 1/31/2024 |
| UND-SMHS | Hyperbaric Oxygen Therapy (SB2345) | 2,104,121 | 210,319 | 2,104,121 | 6/30/2025 |
| NSUSO | Dakota Digital Academy (SB2345) | 475,000 | 157,932 | 475,000 | 6/30/2024 |
| UND | Space Education and Research Initiative (SB2345) | 10,000,000 | 1,511,228 | 10,000,000 | 6/30/2025 |
| UND | Airport Apron (HB1505) | 5,000,000 | 3,009,979 | 5,000,000 | 6/30/2024 |
| DSU | Pulver Hall, meat processing lab, and other projects (HB1505) | 4,000,000 | 698,511 | 4,000,000 | 6/30/2024 |
| | **Total** | **136,179,121** | **11,327,323** | **136,179,121** | |

NORTH DAKOTA
UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

# HOUSE APPROPRIATIONS
# EDUCATION AND ENVIRONMENT DIVISION
# 2023 HOUSE BILL 1003

## NDUS SYSTEM OFFICE
## JANUARY 10, 2023

David Krebsbach, Vice Chancellor for Administrative Affairs
David.Krebsbach@ndus.edu 701-328-4116

# NDUS Statutory Authority and Mission



**Agency Statutory Authority**

ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-10.

**Agency Mission Statement**

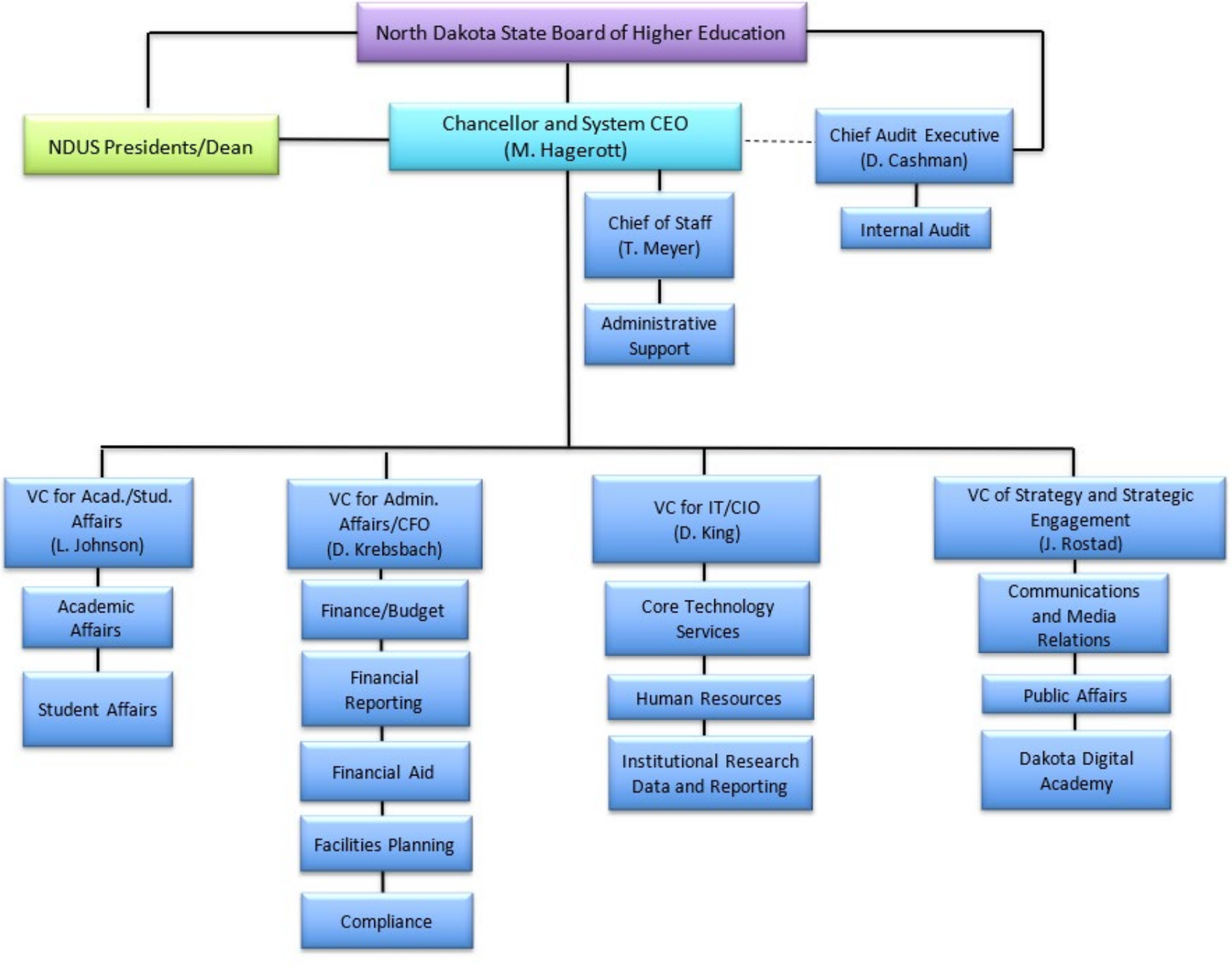
The mission of the NDUS is to enhance economic growth, social vitality, and quality of life for North Dakota through the discovery, sharing, and application of knowledge. The Chancellor's Office supports the SBHE in developing public policy for the governance of the NDUS and in advocating on behalf of the System.

**Agency Description**

The North Dakota State Board of Higher Education (SBHE), established in 1939 by the voters of North Dakota, is the governing body for the state's 11 publicly funded institutions which comprise the North Dakota University System (NDUS). The SBHE carries out its constitutional responsibilities through a comprehensive set of policies. The Chancellor serves as the NDUS' chief executive officer. The Chancellor and the system office staff support the SBHE in developing public policy for the NDUS, in advocating on its behalf, and fostering shared leadership throughout the system.

# NDUS Organization Chart






NORTH DAKOTA UNIVERSITY SYSTEM

# Agency Major Accomplishments



1. Conducted three successful presidential searches at WSC, NDSU, and NDSCS
2. Created more than 325 new certificate programs at both the undergraduate and graduate levels
3. Emerging use of stackable certificates – leading to associate and/or baccalaureate degrees
4. Implemented advanced security protection to more than 16,000 computing endpoints across the NDUS
5. Implemented a single sign-on portal for NDUS applications
6. Provided centralized secure wireless networking for the campuses
7. MiSU became the third NDUS institution to receive NSA designation of Center of Academic Excellence in Cyber Defense
8. Maintained the ND Career Builders scholarship and loan forgiveness program, in conjunction with multiple state agencies and private-sector partners, to address the State's workforce needs
9. Passage of board policy to discontinue the submission of standardized tests for the purpose of admission
10. Rebuilt SBHE Dashboards to reflect updated goals, objectives, outcomes and metrics
11. Continued support of the Dakota Digital Academy, which has resulted in numerous grant-funded digital outcomes
12. Deployed a Security Operations Center to prevent, detect, investigate, and respond to NDUS security incidents
13. Collaborated with Department of Health and others to assist in the rollout of a new vaccination campaign
14. Conducted extensive research on behalf of DPI for House Bill 1013 (COVID-era learning loss)
15. Collaborated with NDIT and SLDS to include ND Post-Secondary Outcomes on NDInsights, the state's official source for information about public education
16. Implemented NDUS data governance committee and project to ensure data is appropriately used while protected
17. Launched a systemwide online, self-service performance evaluation system
18. Implemented technical and student-facing upgrades to Campus Connection
19. Continued migration of selected services to the Cloud
20. Updated availability of Student Voting Certificate in Campus Connection

# NDUS Plans, Goals, and Challenges



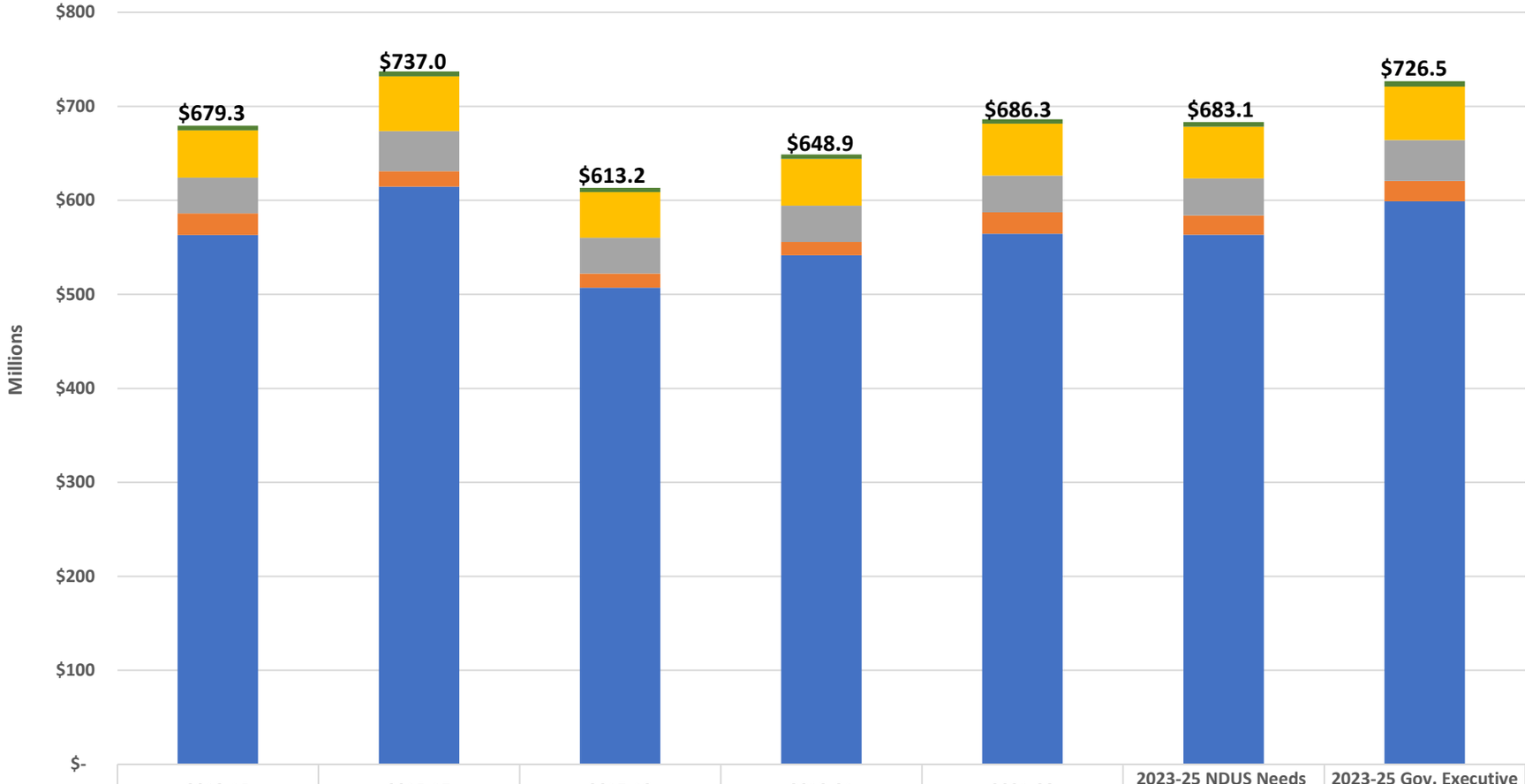
The NDUS has continued to offer regionally-competitive tuition rates, affordable student housing, and reduced student textbook costs through increased availability of Open Educational Resources. Through the implementation of more types of inter-campus and system-wide shared services, operations have and will continue to become more cost effective toward the goal of providing a quality education for students.

Critical issues related to those goals are:

- Meeting student course delivery needs by implementing a dynamic enrollment environment;
- Maintaining and increasing enrollment and retention through new programs and educational pathways;
- Addressing challenges in talent recruitment and retention for faculty and staff in changing inflationary conditions;
- Anticipating and meeting technological transformation and the digitization of society;
- Lingering impact of the COVID-19 pandemic;
- Continuing to address the near- and long-term workforce needs of the state;
- Furthering development and access to IT capabilities to maximize student success and system-wide collaboration;
- Sustaining and increasing efforts to consolidate IT systems and business services that are cost effective and provide value.

# NDUS State General Fund Appropriations (Ongoing)






| | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 NDUS Needs Based Budget | 2023-25 Gov. Executive Recommendation |
|---|---|---|---|---|---|---|---|
| Forest Service | $4,701,189 | $5,007,844 | $4,426,427 | $4,676,664 | $4,792,478 | $4,823,325 | $5,638,621 |
| Financial Aid/Grants | $50,342,238 | $58,290,312 | $48,799,546 | $49,561,460 | $55,117,460 | $55,117,460 | $56,739,137 |
| Core Technology Svcs. | $38,123,114 | $42,620,028 | $37,964,115 | $38,746,102 | $39,174,280 | $39,332,323 | $43,615,968 |
| System Office | $23,096,371 | $16,605,429 | $14,875,869 | $14,019,535 | $22,606,736 | $20,473,093 | $21,543,509 |
| Institutions | $563,008,934 | $614,453,986 | $507,176,197 | $541,664,044 | $564,637,572 | $563,379,267 | $599,014,882 |

NORTH DAKOTA UNIVERSITY SYSTEM

# Budget Comparison: Needs-Based to Executive Recommendation(Cont.)



- Reflects statutory formula production & bond payment changes, and cost to continue 2021-23 salary increases
- Includes restoring the Minimum Amount Payable NDCC 15-18.2-06
  - 96% - $5.2 million (LRSC $0.6; NDSCS $2.6; NDSU $2.0)
  - 97% - $7.1 million (LRSC $0.7; NDSCS $2.9; NDSU $3.5)
  - 98% - $9.2 million (BSC $0.2; LRSC $0.9; NDSCS $3.3; NDSU $4.8)
  - 99% - $11.5 million (BSC $0.5; LRSC $1.0; NDSCS $3.7; NDSU $6.2; UND $0.1)
  - 100% - $15.2 million (BSC $0.8; LRSC $1.2; NDSCS $4; NDSU $7.6; UND $1.6)

**North Dakota University System**
**2023-25 Needs-Based Budget**
*In Millions*

| | General Fund | Tuition | Other Funds | Total |
|---|---|---|---|---|
| 2021-23 Base | $ 686.3 | $ 680.5 | $ 1,244.8 | $ 2,611.6 |
| Formula Production | $ (9.3) | $ - | $ - | $ (9.3) |
| Bond Payments | $ (2.2) | $ - | $ - | $ (2.2) |
| Cost to Continue 2021-23 salary increases | $ 3.0 | $ 3.8 | $ 3.1 | $ 9.8 |
| Minimum Amount Payable | $ 5.2 | $ - | $ - | $ 5.2 |
| 2023-25 Needs-Based Budget | $ 683.1 | $ 684.3 | $ 1,247.9 | $ 2,615.2 |
| $ Change | $ (3.2) | $ 3.8 | $ 3.1 | $ 3.6 |
| % Change | -0.5% | 0.6% | 0.2% | 0.1% |

NORTH DAKOTA UNIVERSITY SYSTEM

# Budget Comparison: Needs-Based to Executive Recommendation(Cont.)



| | North Dakota University System 2023-25 Governor's Recommendation *In Millions* | | | |
|---|---|---|---|---|
| | **General Fund** | **Tuition** | **Other Funds** | **Total** |
| 2021-23 Base | $ 686.3 | $ 680.5 | $ 1,244.8 | $ 2,611.6 |
| Formula Production | $ (9.3) | $ - | $ - | $ (9.3) |
| Bond Payments | $ (2.2) | $ - | $ - | $ (2.2) |
| Cost to Continue 2021-23 salary increases | $ 3.0 | $ 3.8 | $ 3.1 | $ 9.9 |
| Minimum Amount Payable | $ 5.2 | $ - | $ - | $ 5.2 |
| 2023-25 Exec Compensation Package | $ 38.5 | $ 12.1 | $ 70.4 | $ 120.9 |
| Financial Aid System | $ 0.3 | $ - | $ - | $ 0.3 |
| OMB Rent Model | $ 0.1 | $ - | $ - | $ 0.1 |
| Software operations and security operation center | $ 2.5 | $ - | $ - | $ 2.5 |
| Veterans Assistance Programs | $ 0.2 | $ - | $ - | $ 0.2 |
| Native American Scholarship | $ 0.5 | $ - | $ - | $ 0.5 |
| Academic/CTE Scholarship | $ 1.0 | $ - | $ - | $ 1.0 |
| Towner State Nursery | $ - | $ - | $ 0.2 | $ 0.2 |
| Cooperative fire protection initiative | $ 0.2 | $ - | $ - | $ 0.2 |
| Forest recreation enhancement | $ 0.2 | $ - | $ - | $ 0.2 |
| Grants and program special fund authority | $ - | $ - | $ 8.3 | $ 8.3 |
| 2023-25 Executive Budget Recommendation | $ 726.5 | $ 696.4 | $ 1,326.8 | $ 2,749.6 |
| $ Change | $ 40.1 | $ 15.9 | $ 82.0 | $ 138.0 |
| % Change | 5.8% | 2.3% | 6.6% | 5.3% |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Optional Adjustment Requests



| Investments (General Fund Optional Adjustment Requests) | Total NDUS Request | Executive Recommendation | Variance from NDUS Request | |
|---|---|---|---|---|
| **Systemwide Projects / Initiatives** | **General Fund** | | | |
| Workforce Education Innovation Grant Program - one-time | $ 24,000,000 | $ 10,000,000 | ($14,000,000) | 1-time funds |
| Education Scholarships for Energy Workforce - one-time | 10,000,000 | 10,000,000 | 0 | 1-time Legacy Fund |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - base | 3,640,624 | 3,640,624 | 0 | 1-time NDUSO |
| Veterans Program - base | 177,000 | 177,000 | 0 | |
| Dakota Digital Academy - one-time | 450,000 | 450,000 | 0 | 1-time funds |
| Systemwide Marketing Program - one-time | 900,000 | - | (900,000) | |
| Forest Service - Cooperative Fire Protection Initiative - One-time | 187,000 | 187,000 | 0 | |
| Forest Service - Forest recreation enhancement - One-time | 200,000 | 200,000 | 0 | |
| **NDUSO - Student Grants** | | | | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 | 1,000,000 | 0 | |
| Financial Aid Systems - Licensing & Maintenance($1,554,354 implementation - One-time; $273,180 annual cost - Base) | 1,827,534 | 1,827,534 | 0 | 1-time $1.55M |
| **NDUSO - System Security & Research** | | | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations Center - Base | 4,800,000 | 2,500,000 | (2,300,000) | |
| CTS - $2M Data Warehouse and Predictive Analytics | 2,000,000 | 0 | (2,000,000) | Included in NDIT |
| Assistant Vice Chancellor - Research and Workforce - Base | 425,000 | 0 | (425,000) | |
| **Investments (Optional Adjustment Requests)** | **$ 49,607,158** | **$ 29,982,158** | **$ (19,625,000)** | |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Optional Adjustment Requests



| Other NDUS Executive Recommended State Funded Programs | | | |
|---|---|---|---|
| Equity Compensation package (NDUS total - $40M-$20M special funds & $20M GF) | $ | 20,127,452 | General Funds |
| Native American Scholarship | | 444,677 | Increased to $1M GF |
| Capital Building funds | | 19,000,000 | SIIF |
| Challenge Grant | | 50,000,000 | Legacy Funds |
| Capitol Building Rent | | 143,625 | General Funds |

| NDUS Executive Recommended State Funded Capital Projects | | | |
|---|---|---|---|
| LRSC - Gearbox for Wind Turbine | $ | 600,000 | SIIF-$480k; $120k Local fund match |
| DSU - Ag Building Renovation | | 900,000 | SIIF-$900k- Planning and design. |
| MaSU - Old Main Renovation | | 3,779,100 | SIIF- $3.8M- Planning and design |
| MiSU - Dakota Residence Hall Demolition | | 765,000 | SIIF-$765k |
| DCB - Old Main/Center for Rural Health | | 3,700,000 | SIIF-$3.7M |
| **NDUS Executive Recommended Special Funded Capital Projects** | | | |
| UND - EERC AMPF & Elec. Dist. | $ | 33,000,000 | Special fund authority |
| NDSU - Music Building Addition | | 20,000,000 | Special fund authority |
| NDSU - Sudro Hall Small Animal Research Facility | | 3,000,000 | Special fund authority |
| VCSU - Osmon Field House Athletic Addition | | 20,000,000 | Special fund authority |
| VCSU - Student Center Renovation | | 2,000,000 | Special fund authority |

# 2023-25 Investment Opportunities - Optional Systemwide Initiatives



- SBHE supports Governor and Legislative Assembly providing 5% minimum annual salary increase each year of biennium; supports general funds to offset tuition portion of compensation package
- SBHE looks forward to working with Governor and Legislative Assembly to address 2021-23 inflation as part of statewide plan; consider increase in funding formula per credit hour rate for NDUS institutions
- Behavioral Health Initiative - $3.6 million
  - Provides 16 full-time, 2 part-time, 4 trainees, and 4 intern to assist students with behavioral health needs
  - Increased need due to the pandemic
  - Student wait times to see counselor can be up to 4 weeks
- Veteran Education Training program - $177,000
  - Allow program to increase staff from 1.0 to 3.0 FTE's
  - Provide higher level of services to veterans interested in degree or certificate

# 2023-25 Investment Opportunities - Optional Systemwide Initiatives



- Workforce Education Innovation Grant Program - $24 million
  - $10M 2-year colleges; $8M 4-year regional universities; $6M NDUS research universities
  - Start-up funds for institutions to establish innovative high-demand programs to meet North Dakota workforce needs
    - Provides curriculum development, purchase of equipment and technology to train or certify new and existing instructors and to promote programs to respond to workforce needs of the state
- Education Scholarships for Energy Workforce - $10 million
  - Serving communities in the oil and gas sector with degrees, certificates, and new skills to fill workforce staffing needs
- Dakota Digital Academy – $450,000
  - Funding to continue providing accessible computing and cyber science education in North Dakota

# 2023-25 Investment Opportunities - Optional Systemwide Initiatives



- Systemwide Marketing Program – $900,000
  - Funding to market the variety of degrees and programs offered by the 11 institutions of the NDUS to prospective North Dakota students
- Forest Service: Cooperative Fire Protection Initiative – $187,000
  - Provide critical financial, technical, and educational assistance to fire departments for wildfire prevention, suppression, mitigation
- Forest Service: Forest Recreation Enhancement - $200,000
  - Provide delivery of services to meet increasing outdoor recreation demands by State Forest users.
- SBHE supports Capital Building Funds Program and funding at current ($19M) or higher levels in tier II and tier III funds for 2023-25 biennium
  - Support reducing match requirement of extraordinary repairs tier I funds from 2:1 match to 1:1 match for all institutions except for NDSU and UND
  - Support reducing the match requirement on Tier III funds for all institutions to 1:1 match

# 2023-25 Investment Opportunities - Optional Systemwide Governance Initiatives



- Core Technology Services - $6.8 million
  - Increase software contract costs - $3 million
  - Security Operations Center - $1.8 million
    - NDIT charges to NDUS - $1 million
    - 2 FTE Staff and software licenses for the CTS Security Operations Center - $0.8 million
  - Maintenance and development of current longitudinal data system as outlined in ND century code 54-59-38 - $2 million
- Assistant Vice Chancellor for Research and Workforce- $425,000
  - This new NDUS Office position promote and expand research activities and reporting across institutions, in collaboration with SBHE Research committee

# 2023-25 Investment Opportunities - Optional Systemwide Governance Initiatives



- ND Academic & CTE Scholarship - $1 million (Base Funding)
  - Number of eligible students continues to increase resulting in need to increase the appropriation
- Financial Aid Systems - $1,827,534
  - Antiquated system risks failure. The NDUS in 2021-22 processed 14,248 awards to students totaling $24.5 million.
  - Streamline processes & administrative effort, current programs managed via multiple apps, some no longer supported. Any changes are costly and cumbersome.
  - RFP solution issued to procure vendor for solution to be utilized by the NDUS. Vendor solution is $1,554,354 for first year implementation and $273,180 in ongoing annual operating costs
- SBHE supports Challenge Grant Program continuation and funding

# 2023-25 Investment Opportunities – Higher Ed Stabilization & Research Fund Stream



- SBHE supports legislative action to create a Higher Education Stabilization Fund
  - Fund to provide resources to limit base general fund reductions due to state revenue fluctuations; similar to K-12's "Foundation Aid Stabilization Fund" eliminating need for budget allotment (NDCC 54-44.1-12)
  - Support program resilience, faculty, staff, student success during state funding shortfalls
  - K-12 stabilization mechanisms (Foundation Aid Stabilization Fund) has proven highly beneficial in a commodity-based economy
- SBHE supports a permanent research funding stream (possible use of Legacy funds)
- Research fund to include network infrastructure funding

# Other sections for Agency Appropriation Bill (in Governor's recommended budget)



- Extend carryover authority for unexpended appropriation to be effective until July 31, 2025 (N.D.C.C. 54-44.1-11) (2021 SB2003 Sec. 15) and for capital projects authorized in Sec. 2 and 7 of SB2003 and funding authorized during 2021 special session in HB1505 and SB2345
- Update subsection 1 of section N.D.C.C. 15-10-48 to reflect new allocations for Challenge Grant awards to Institutions (2021 SB2003 Sec. 10)
- Include transfer authority for UND and UND SMHS operations line (2021 SB2003 Sec. 5)
- Include campus capital projects – project management (2021 SB2003 Sec. 19)

# Other Bills with Budget Impact



- HB1031– Student Financial Aid Grant Assistance, increase student grants from $1,100 to $1,600 per semester, increases appropriation by $12 million from $23.9 million to $35.9 million; Academic and Career and Technical Education Scholarship, increases appropriation by $1 million, from $16.2 million to $17.2 million; and Dual Credit Tuition Scholarship, appropriates $1.5 million from BND profits
- HB1032 – High Demand Certificate Programs, appropriation of $1 million
- HB1033 – Challenge Grant Program, expand uses including new or expanding educational programs, appropriation of $24 million
- HB1034 – Capital Building Fund, requires institutions to utilize a percentage of funds from gifts, grants, donations, the capital building fund or other local funds each capital project requested; requires facility renovation projects to reduce deferred maintenance by at least 75%; Capital projects must conform to campus master plans; limits uses to academic facilities, appropriation of $29 million from SIIF; Extraordinary repairs(tier I) – matching requirements reduced to 1:1 for all institutions except NDSU & UND
- SB2015 – OMB budget - $40 million compensation equity for Higher Education
- SB2161 – Relating to the State Energy Research Center at UND, provides up to $10 million from oil and gas gross production tax and oil extraction tax revenues
- HB1039 & HB1040 – Closes the PERS defined benefit plan; requires additional contributions for current staff who are plan participants to retire the unfunded actuarial liability. PERS estimates were between 7.5% to 17.5% additional required payments annually on all staff currently in the PERS defined benefit plan
- SB2025 – Deficiency appropriation requests DCB - $99,768 and UND $430,101

# System Office Budget

NORTH DAKOTA
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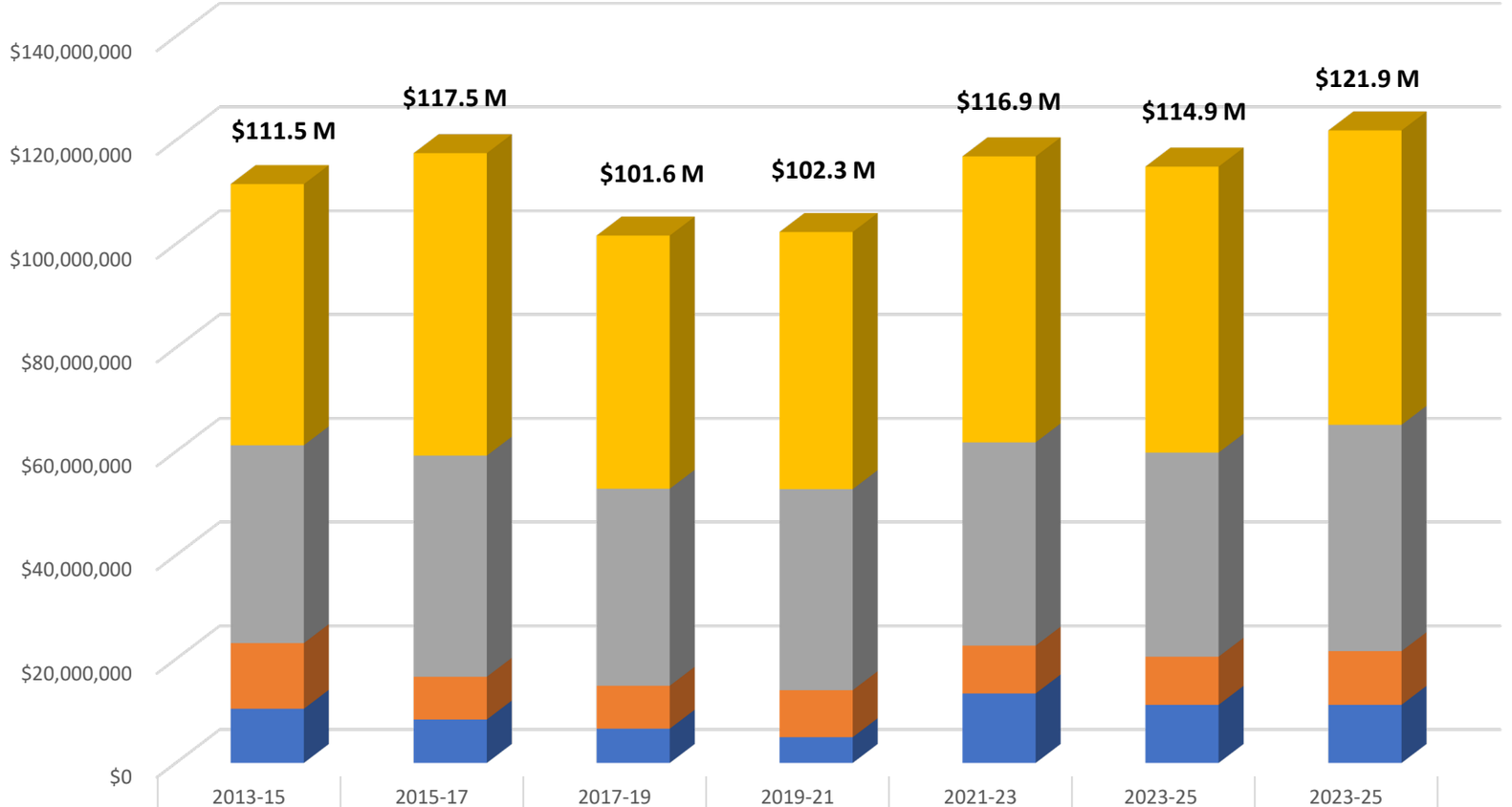
# NDUSO State General Fund Appropriations (Ongoing)






| | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 NDUS Needs Based Budget | 2023-25 Executive Budget |
|---|---|---|---|---|---|---|---|
| Financial Aid/Grants | $50,342,238 | $58,290,312 | $48,799,546 | $49,561,460 | 55,117,460 | 55,117,460 | $56,739,137 |
| Core Technology Svcs. | $38,123,114 | $42,620,028 | $37,964,115 | $38,746,102 | 39,174,280 | 39,332,323 | $43,615,968 |
| System Office | $12,660,326 | $8,236,593 | $8,270,543 | $9,060,087 | $9,221,472 | $9,275,197 | $10,345,613 |
| Capital Bond Payments | $10,436,045 | $8,368,836 | $6,605,326 | $4,959,448 | $13,385,264 | $11,197,896 | $11,197,896 |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 System Office Request & Executive Recommended Base General Fund Budget



| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 | Column 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 2021-23 General Fund Base Budget | 2023-25 Bond Payment Adjustments & Cost to Continue Salaries | SBHE Optional Requests | 2023-25 NDUS Budget Request (Column 1 + Column 2 + Column 3) | Change from 2021-23 Base Budget to 2023-25 NDUS Budget Request (Column 4 - Column 1) | 2023-25 Executive Budget Supported SBHE Optional Requests | Salary and Benefit Increases 6%/4% & Health Insurance | 2023-25 Executive Budget (Column 1 + Column 2 + Column 6 + Column 7) | Change from 2023-25 NDUS Budget Request to 2023-25 Executive Budget (Column 8 - Column 4) |
| System Governance | $ 8,137,072 | $ 53,725 | $ 698,180 | $ 8,888,977 | $ 751,905 | $ 273,180 | $ 653,611 | $ 9,117,588 | $ 228,611 |
| Capital bond payments | 13,385,264 | (2,187,368) | | 11,197,896 | (2,187,368) | | | 11,197,896 | - |
| Veterans Assistance Programs | 277,875 | | 177,000 | 454,875 | 177,000 | 177,000 | | 454,875 | - |
| Student Mental Health | 284,400 | | | 284,400 | - | | | 284,400 | - |
| Core Technology Services | 39,174,280 | 158,043 | 6,800,000 | 46,132,323 | 6,958,043 | 2,500,000 | 1,783,645 | 43,615,968 | (2,516,355) |
| Student Financial Assistance Grants | 23,917,306 | | | 23,917,306 | - | | | 23,917,306 | - |
| ND Scholars Program | 1,807,115 | | | 1,807,115 | - | | | 1,807,115 | - |
| Native American Scholarship | 555,323 | | | 555,323 | - | 444,677 | | 1,000,000 | 444,677 |
| Education Incentive Programs | 260,000 | | | 260,000 | - | | | 260,000 | - |
| Tribal Community College Grants | 1,000,000 | | | 1,000,000 | - | | | 1,000,000 | - |
| Academic and Tech Ed. Scholarship | 16,216,749 | | 1,000,000 | 17,216,749 | 1,000,000 | 1,000,000 | | 17,216,749 | - |
| Student Exchange Program | 3,699,342 | | | 3,699,342 | - | | | 3,699,342 | - |
| Competitive Research Program | 5,685,750 | | | 5,685,750 | - | | | 5,685,750 | - |
| NASA EPSCOR | 342,000 | | | 342,000 | - | | | 342,000 | - |
| Shared Campus Services | 800,000 | | | 800,000 | - | | | 800,000 | - |
| Dakota Nursing Consortium | 1,356,000 | | | 1,356,000 | - | | | 1,356,000 | - |
| OMB Rent Model | | | | - | | 143,625 | | 143,625 | 143,625 |
| **Total NDUS Office** | **$ 116,898,476** | **$ (1,975,600)** | **$ 8,675,180** | **$ 123,598,056** | **$ 6,699,580** | **$ 4,538,482** | **$ 2,437,256** | **$ 121,898,614** | **$ (1,699,442)** |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 System Office Request & Executive Recommended One-Time General Funds & FTEs



| | SBHE Optional Requests | 2023-25 Executive Budget Supported SBHE Optional Requests | Change from 2023-25 NDUS Budget Request to 2023-25 Executive Budget (Column 4 - Column 1) |
|---|---|---|---|
| **One Time Funding - General** | | | |
| **Systemwide Marketing Program** | $ 900,000 | $ - | $ (900,000) |
| **Workforce Innovation Grant Program** | 24,000,000 | 10,000,000 | (14,000,000) |
| **Education Scholarship for Energy Workforce** | 10,000,000 | - | (10,000,000) |
| **Dakota Digital Academy** | 450,000 | 450,000 | - |
| **Financial Aid System** | 1,554,354 | 1,554,354 | - |
| **Student Mental Health Initiative** | | 3,640,624 | $ 3,640,624 |
| **Total One Time General Fund** | $ 36,904,354 | $ 15,644,978 | $ (21,259,376) |

| | 2021-23 Legislatively Authorized FTE | Increase (Decrease) | 2023-25 Executive Recommendation & SBHE Requested |
|---|---|---|---|
| CTS | 134.83 | 4.00 | 138.83 |
| NDUSO | 24.00 | 0.00 | 24.00 |
| Total | 158.83 | 4.00 | 162.83 |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Other Funds



- 2023-25 Executive Recommended One-Time Other Funds

| | 2023-25 Executive Budget Supported SBHE Optional Requests | Challenge Grant and Capital Building Funds | 2023-25 Executive Budget (Column 2 + Column 3) | Change from 2023-25 NDUS Budget Request to 2023-25 Executive Budget (Column 4 - Column 1) | Executive Recommendation Funding Source |
|---|---|---|---|---|---|
| **One Time Funding - Other** | | | | | |
| **Education Challenge Grants** | | 50,000,000 | $ 50,000,000 | $ 50,000,000 | Legacy Funds |
| **Tier II/III Capital Building Fund pool** | | 19,000,000 | $ 19,000,000 | $ 19,000,000 | Strategic Investment and Improvement Fund |
| **Education Scholarship for Energy Workforce** | 10,000,000 | | $ 10,000,000 | $ 10,000,000 | Legacy Funds |
| | 10,000,000 | 69,000,000 | 79,000,000 | 79,000,000 | |

- 2023-25 Anticipated Federal Funds

| Federal Fund | 2023-25 Avaialble Funds | Grant Award Deadline | Expenditure Plan |
|---|---|---|---|
| DHHS Passthrough COVID Immunization Grant Award | $ 326,815 | 6/30/2024 | Immunization awareness marketing campeign at nine NDUS instutions |

NORTH DAKOTA UNIVERSITY SYSTEM

# System Office Audit Findings



2020 Operational audit concluded with one finding:

- Lack of Appropriation Carryover Reporting for NDUS System Office.

Resolved: The enclosed required reporting includes all carryover reporting

Full report can be found at https://www.nd.gov/auditor/2020-university-system-office-north-dakota

# Capital Budget

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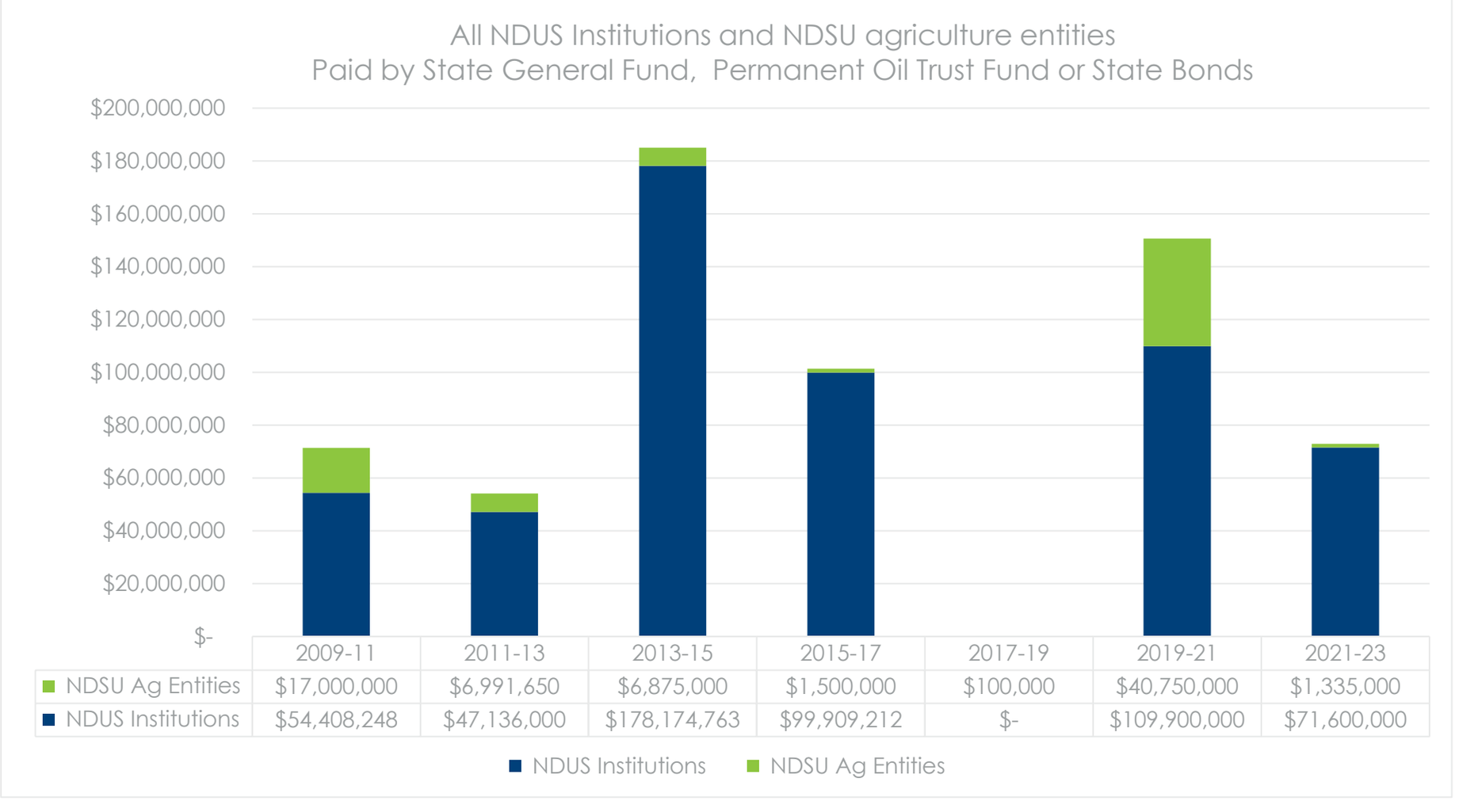
# Capital Project History – State Funded






| | 2009-11 | 2011-13 | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 |
|---|---|---|---|---|---|---|---|
| NDSU Ag Entities | $17,000,000 | $6,991,650 | $6,875,000 | $1,500,000 | $100,000 | $40,750,000 | $1,335,000 |
| NDUS Institutions | $54,408,248 | $47,136,000 | $178,174,763 | $99,909,212 | $- | $109,900,000 | $71,600,000 |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Capital Funding Request



- $291 million Total Request
  - $236.5 million general fund
  - $54.5 million non-general fund
- Highest priority general fund project at each institution prioritized by:
  - % life safety & deferred maintenance
  - % of local funding
  - Projects address life/health/safety issues, deferred maintenance, and program driven needs. $188 million in combined deferred maintenance and life/health/safety issues

# 2023-25 Investment Opportunities - Capital Funding Request



| Institution | Institution Priority | SBHE Priority | Project Title | Project Total | Funding Source | | Project Type | % DM/LS | % PED | % Local $ | Amount DM/LS $ |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | General Funds | Other Funds | | | | | |
| DCB | 1 | 1 | Old Main/Center for Rural Health Education | 1,375,000 | 1,375,000 | | Major renovation to existing facility. | 100% | | 0.00% | 1,375,000 |
| LRSC | 1 | 1 | Wind Turbine Gearbox Replacement | 600,000 | 600,000 | | Equipment repair. | 100% | | 0.00% | 600,000 |
| MaSU | 1 | 1 | Old Main Renovation | 49,970,100 | 49,970,100 | | Major renovation to existing facility. | 100% | | 0.00% | 49,970,100 |
| MiSU | 1 | 1 | Dakota Residence Hall Demolition | 765,000 | 765,000 | | Removal of facility | 100% | | 0.00% | 765,000 |
| DSU | 1 | 2 | Agriculture & Technical Education Building | 12,500,000 | 9,100,000 | 3,400,000 | Major renovation to existing facility. | 90% | 10% | | 11,250,000 |
| NDSU | 1 | 3 | Engineering Building | 111,600,000 | 83,700,000 | 27,900,000 | New construction with major renovation to existing facility | 85% | 15% | | 94,860,000 |
| VCSU | 1 | 4 | McCarthy Hall Renovation | 13,439,000 | 11,439,000 | 2,000,000 | Major renovation to existing facility. | 60% | 40% | | 8,063,400 |
| UND | 1 | 5 | Science, Engineering, & National Security Corridor Planning & Demolition | 14,500,000 | 11,600,000 | 2,900,000 | Renovation, removal, and planning | 51% | 49% | | 7,395,000 |
| BSC | 1 | 6 | Multipurpose Academic/Athletic Performance Center | 31,500,000 | 25,000,000 | 6,500,000 | New construction with demolition of existing facility. | 30% | 70% | | 9,450,000 |
| NDSCS | 1 | 7 | Agriculture, Automation & Autonomous Systems | 18,171,405 | 16,354,264 | 1,817,141 | Major renovation to existing facilities and new construction. | 25% | 75% | | 4,542,851 |
| WSC | 1 | 8 | Medical Healthcare Building | 36,600,000 | 26,600,000 | 10,000,000 | New Construction | | | | - |
| | | | **State General Fund Projects** | **291,020,505** | **236,503,364** | **54,517,141** | | | | | **188,271,351** |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Capital Other Funding Request



Non-general fund capital projects needing Legislative authority

| INSTITUTION | PROJECT | COST | SOURCE OF FUNDS |
|---|---|---|---|
| NDSU | SUDRO SMALL ANIMAL LAB | 3,000,000 | GRANTS/OTHER |
| VCSU | OSMON FIELD HOUSE | 20,000,000 | DONATIONS |
| VCSU | STUDENT CENTER R&R | 2,000,000 | DONATIONS |
| UND | EERC AMPF & ELEC. DIST. | 33,000,000 | $30M LEASE REVENUE BONDS/$3M LOCAL FUNDS |
| WSC | BASEBALL/SOFTBALL TURF PROJECT | 7,313,939 | DONATIONS |
| MiSU* | STUDENT CENTER RENOVATION | 3,100,000 | STUDENT FEES |

*Project is seeking approval from the SBHE in January 2023

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# Thank You

David Krebsbach, Vice Chancellor Administrative Affairs & CFO

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**UND Additional Information**

**Attachments**

1. Higher Education Price Index, 2012-2022
2. UND Space Education and Research Infrastructure
3. UND/NDSU 2023 Legislative Ask (68th Assembly) – Computational Research
4. UND 2023 Legislative Ask (68th Assembly) - IT Network Infrastructure
5. 68th North Dakota Legislative Assembly UND/NDUS Asks
6. Workforce Education Innovation Fund Proposals
7. UND Organizational Charts
8. UND Audit Findings FY 21-23 Biennium
9. UND (excludes SMHS) Comparison of 2021-23 Base Budget

# Attachment 1

**Table 3.1 Higher Education Price Index®, 2012-2022**
Compiled by Regression Analysis of Components, FY 1961-2001
Reported data through August 19, 2022

commonfund
INSTITUTE

| Fiscal year | Regression HEPI | Faculty salaries (H1.1) | Admin salaries (H1.6) | Clerical (H2.3) | Service employees (H2.5) | Fringe benefits (H3.0) | Misc services (H4.5) | Supplies & mat'l (H5.0) | Utilities (H8.0) |
|---|---|---|---|---|---|---|---|---|---|
| 2012 | 293.2 | 289.6 | 352.3 | 264.8 | 235.7 | 425.3 | 264.6 | 204.0 | 191.7 |
| 2013 | 297.8 | 294.6 | 362.4 | 269.8 | 239.4 | 437.5 | 269.4 | 180.0 | 195.6 |
| 2014 | 306.7 | 301.0 | 366.4 | 274.8 | 242.0 | 458.3 | 274.2 | 200.2 | 211.4 |
| 2015 | 312.9 | 306.4 | 381.9 | 280.4 | 248.4 | 484.0 | 279.8 | 190.7 | 183.5 |
| 2016 | 317.7 | 318.2 | 393.3 | 289.1 | 253.3 | 487.9 | 285.7 | 179.5 | 146.5 |
| 2017 | 327.4 | 326.0 | 405.2 | 297.3 | 262.7 | 501.6 | 290.7 | 180.1 | 167.8 |
| 2018 | 336.1 | 333.6 | 414.1 | 305.9 | 271.6 | 516.3 | 297.8 | 187.9 | 170.7 |
| 2019 | 346.0 | 342.2 | 424.1 | 316.6 | 282.5 | 534.1 | 304.8 | 195.6 | 172.3 |
| 2020 | 352.7 | 351.4 | 430.3 | 326.6 | 293.9 | 549.6 | 313.2 | 188.8 | 145.3 |
| 2021 | 362.3 | 354.7 | 437.2 | 335.7 | 306.6 | 572.2 | 319.3 | 195.4 | 167.0 |
| **2022 Preliminary Forecast *** | **381.1** | **362.1** | | 353.2 | 332.9 | **587.3** | 332.9 | **237.5** | **238.8** |
| | | | | | | | | | |
| 2012 | 1.7% | 1.8% | 2.7% | 1.7% | 1.1% | 1.8% | 1.7% | 5.2% | -4.9% |
| 2013 | 1.6% | 1.7% | 2.9% | 1.9% | 1.6% | 2.9% | 1.8% | -11.7% | 2.0% |
| 2014 | 3.0% | 2.2% | 1.1% | 1.9% | 1.1% | 4.8% | 1.8% | 11.2% | 8.1% |
| 2015 | 2.0% | 1.8% | 4.2% | 2.1% | 2.6% | 5.6% | 2.1% | -4.8% | -13.2% |
| 2016 | 1.5% | 3.8% | 3.0% | 3.1% | 2.0% | 0.8% | 2.1% | -5.8% | -20.2% |
| 2017 | 3.0% | 2.5% | 3.0% | 2.8% | 3.7% | 2.8% | 1.7% | 0.3% | 14.5% |
| 2018 | 2.6% | 2.3% | 2.2% | 2.9% | 3.4% | 2.9% | 2.4% | 4.3% | 1.7% |
| 2019 | 3.0% | 2.6% | 2.4% | 3.5% | 4.0% | 3.5% | 2.4% | 4.1% | 0.9% |
| 2020 | 1.9% | 2.7% | 1.5% | 3.2% | 4.0% | 2.9% | 2.8% | -3.5% | -15.7% |
| 2021 | 2.7% | 1.0% | 1.6% | 2.8% | 4.3% | 4.1% | 2.0% | 3.5% | 15.0% |
| **2022 Preliminary Forecast *** | **5.2%** | **2.1%** | | 5.2% | 8.6% | **2.6%** | 4.3% | **21.5%** | **43.0%** |
| | | | | | | | | | |
| *Coefficients* | -0.286286907 | 0.3537417 | 0.104289477 | 0.18408585 | 0.082314791 | 0.131020859 | 0.022899544 | 0.055138426 | 0.068247106 |
| | Intercept | Faculty | Admin | Clerical | Service | Fringe | Services | Supplies | Utilities |

**SUMMARY OUTPUT**

*Regression Statistics*

| | |
|---|---|
| Multiple R | 0.999998904 |
| R Square | 0.999997809 |
| Adjusted R Square | 0.999997261 |
| Standard Error | 0.096391663 |
| Observations | 41 |

* 2022 Preliminary Forecast: This estimate of HEPI is calculated by inserting into the model a combination of actual new data points, where they have become available, and forecasts of the remaining data points based upon historical information. Numbers in blue are updated monthly.

# Attachment 2

# UND Space Education and Research Infrastructure

**Description of Program**
Requesting $10.5M to establish a Center for Space Education and Research, expanding on existing as well as planned investments from the University and the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences. UND is investing in a National Security Initiative (NSI) to build on the university's capacity to pursue, secure and execute projects with federal agencies including Department of Defense (DOD) and Department of Homeland Security (DHS). The NSI will generate extensive opportunities in research, training, and education for a broad range of colleges, schools, programs, faculty, and undergraduate and graduate students. Then NSI targets opportunities in Health, Energy and Space, but the first phase of the NSI focuses on Space. Phase I will enable us to expand and apply our expertise in UAS/Autonomy and mobility across a cohesive Surface-Air-Space (SAS) domain, integrating ground vehicles, airborne assets, and the satellite architecture under development by the Space Development Agency (SDA) and private industry. UND has a 6-year plan in which it has committed to investing $7.5M in new strategic funding in the Space Phase from FY22-FY27. The Space Phase collaboration involves the Vice President of Research & Economic Development, the Research Institute for Autonomous Systems, the John D. Odegard School of Aerospace Sciences (Space Studies, Aviation departments), the College of Engineering and Mines (Electrical Engineering & Computer Science and Mechanical Engineering departments), and the College of Arts & Sciences (Chemistry, Mathematics, Physics & Astrophysics, Psychology/Human Factors departments). Further, the NSI will position UND to be a strong partner with the SDA, Grand Forks Air Force Base, numerous potential industry partners, and, significantly, the United States Space Force (USSF).

On August 9, 2021, UND became the first of ten universities to join the new Space Force University Partnership Program (UPP). Following the UND visit by Chief of Space Operations, Gen Raymond, the U.S. Space Force explained that it is establishing the University Partnership Program to:

- Fulfill the needs of a technology-focused, 21st century, digital Service.
- Recruit and educate a competent, diverse and inclusive workforce.
- Pursue relevant, state-of-the-art research and technology development.
- Leverage and support the nation's research universities.
- Provide motivation and opportunities for the nation's university students to pursue scientific and technical degrees.
- Establish a USSF UPP for world-class research, advanced academic degree, and leadership development opportunities.
- Identify and pursue research areas of mutual interest with UPP members (bi-lateral and collectively).
- Establish scholarship, internship and mentorship opportunities for university students and cadets.

One of UND's primary contributions to the UPP consortium will center on our capability to enhance the space satellite architecture with testing and integration of autonomy and intelligence across the integrated SAS domain. Through the NSI, UND has committed to deepening the personnel expertise needed to support USSF, and we are in the process of hiring eight new research faculty positions. The state legislature generously allocated $4M in the 2021-2023 biennium to invest in space-related infrastructure at UND. To ensure success in developing the space-related capacities and to equip our existing and new researchers and students, we are asking for a one-time investment of $10M to extend our ability to develop infrastructure—primarily through purchasing essential equipment. Collectively, this infrastructure, combined with relevant existing infrastructure, will make up the "Center for Space Education and Research." An additional $10M will extend UND's capacity for research and workforce training to respond to the needs identified by USSF for the next many years.

**Expected Outcome:**
The NSI focus on Space and the overall investment package are designed to increase federal funding from DoD and DHS. A conservative target is an annual increase of $3M in research expenditures from these two agencies, building on a baseline established in FY22 (~$2.5M)—over a 100% increase. The Center will help attract star research faculty and staff in space-related fields to include graduate students and post-doctoral researchers. While primarily a research initiative, NSI will substantively refresh academic programs.

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Establishment of this center will deliver more educational opportunities online and on-campus with state-of-the-art technology and research labs. It will foster high-tech workforce development in key emerging areas at both undergraduate and graduate levels, increase opportunities for student engagement in hands-on and applied research and training opportunities, and assist in the growth and diversification of the ND state economy, especially in the high demand, rapidly growing high-tech sector.

**Connection to Existing Program:**

This project will support existing and growing programs and research in space-related fields in the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences and leverage planned strategic investments from the University. The National Security Initiative supports Goal 4 of the UND Strategic Plan (to Enhance Research) and puts an action to the UND Grand Challenges of Autonomous Systems and Big Data. These two Grand Challenges encompass areas of research and education identified by UND as priorities critical to the state and areas in which we can be nationally competitive. Most of UND's investment in the NSI will cover salaries for new research faculty and students. One-time ARPA investment in the Center, in concert with UND strategic funding and the $4M authorized by the state of North Dakota for Space Infrastructure, will support crucial hands-on and applied research and training opportunities, provide equipment and technology, and thus enhance UND's ability to recruit, retain, and graduate undergraduate and graduate students and enhance development and deployment of a highly trained high-tech workforce in ND and the region.

**The original $4M allocated from the state legislature for CSER will be able to equip the following:**

| Infrastructure Project | Description | Estimated Cost |
|---|---|---|
| **Satellite Operation Center** | Robin Hall 203 will be reconfigured to have 16 space control stations for education, operations, and research as well as an upgraded instructor station. In addition to teaching classes in orbital mechanics, satellite operations, space domain awareness, and communications, the classroom will be integrated into a campus network to connect with UND colleges and other universities to manage UND's own and other(s) developed satellites as well as to analyze and manage the data generated through remote sensing. | $ 1,000,000 |
| **Digital Engineering and Big Data Lab** | Harrington Hall 109, currently a power electronics lab, will become the Digital Engineering & Big Data Lab. Digital Engineering is the approach to space systems development favored by the DOD. This lab allows us to train students in digital engineering and supply the workforce needed by the DOD and the defense industry. The reconfigured room will host workstations and large monitors to serve both individual and group projects. This space will also be utilized in our new Digital Engineering course, which is being taught in partnership with a major defense contractor. | $ 300,000 |
| **Satellite Design and Engineering Lab** | Harrington Hall 120C, currently an undergraduate academic lab, will be become a satellite design and engineering lab. The room will be furnished with instruments and equipment to allow device and component-level integration. Components from this lab will transition into Harrington Hall 120 for integration into subsystems and full satellites. | $ 300,000 |
| **Satellite Fabrication and Assembly Lab, including Clean Room** | This will serve as a hub for the fabrication and assembly of satellites and other space-related instruments and equipment. This lab already contains an anechoic chamber, which is essential for the development and testing of antennas for space systems. A cleanroom will be added to further support the development and testing of satellite components, including communication circuitry, optical interconnects, and mechanical structures. It will be equipped to perform all necessary electromechanical and environmental testing needed for satellite development, including vibration, thermal/vacuum, EMI/EMC, and antenna testing. | $ 2,400,000 |

**An additional $10.5 million investment would allow us to expand the activities of CSER in the following ways**

| Infrastructure Project | Description | Estimated Cost |
|---|---|---|
| **Advanced UAV and Satellite Material Lab** | Advances in UAV and space systems will require the development and testing of new materials for batteries, solar cells, thermal management, and lightweight structures. To successfully compete for research grants and perform the research needed by the DOD, UND needs to upgrade its materials fabrication and characterizations facilities.<br>*-Nanofoundry and associated cleanroom and instruments* . $3,200,000. Facilitates translational research in nanoscience and nanotechnology for applications requiring minimization of weight and size, including space & UAV applications.<br>*-High resolution transmission electron microscope (TEM)* . $1,000,000. A critical instrument for materials research, especially for studying particles and structures at the nanoscale.<br>*-Other materials characterization instruments.* $1,500,000. A suite of instruments for the characterization of various chemical, mechanical, thermal, and electrical properties of materials important for batteries, solar cells, and other power and structural applications. Instruments include a BET surface area analyzer, Raman spectrometer, X-ray diffractometer, hardness indenter, gel permeation chromatogram, and a thermoelectric measurement system. | $ 5,700,000.00 |
| **Neutral Buoyancy Tank** | A neutral buoyancy tank will enable human spaceflight extra-vehicular activity training to expand UND's expertise in space suit testing and interplanetary habitability research. Additionally, it will support satellite refueling/repair testing as well as micro-gravity research. | $ 1,200,000 |
| **Sensitive Compartmented Information Facility (SCIF)** | This will enable UND to do classified work with DOD and DHS and create opportunities to work with Grand Forks Air Force Base, Cavalier Space Force Station, & Grand Sky (Northrop Grumman and General Atomics). For our initial needs we will acquire a portable SCIF built into a standard container. | $ 1,500,000 |
| **Satellite and Space Debris Tracking** | A series of antennas will be installed and used to collect data to track satellites and space debris. This facility will allow for both student projects and faculty research, including the analysis of satellite and space object data, development of advanced tracking software, and the development and testing of new antennas and sensors. | $ 900,000 |
| **Laboratory Configuration** | Will be used to configure and adapt laboratory spaces to accommodate the above equipment and research. This includes the addition of laboratory fume hoods and network/internet connectivity. | $ 1,200,000 |

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## Status Update, January 8, 2023

1. **Satellite Operations Center**: In final stages of equipment installation and set-up or the classroom. The funding budgeted will also equip a **Fixed Satellite Ground Station**, which is under development. The required hardware and software have been acquired and will soon be integrated and tested with the satellite receiver. Additional antennae, transceivers, satellite hardware and software will be incorporated into this ground station throughout 2023. The station will eventually operate over multiple frequencies, in particular having uplink and downlink capabilities through multiple (amateur radio) satellites within several months.
2. **Digital Engineering and Big Data Lab**: This space is part of the overall National Security Corridor. We have ordered the Digital Engineering Cluster, which will be located in the NDUS datacenter and will support the work in this lab. We are planning to order additional computational equipment for this space but will wait on the order until the renovations are nearing completion. The expenses in this category were higher than anticipated.
3. **Satellite Design and Engineering Lab**: This space will be renovated as part of the overall National Security Corridor. Equipment for this space includes 5 solder/rework stations, and multiple 3D printers.
4. **Satellite Fabrication and Assembly Lab**: We have purchased most of the equipment that will be housed in this space. The equipment received includes a laser Printed Circuit Board Mill and electroplating system, a vibration table, and a signal analyzer, and we are currently awaiting delivery of a 4-port millimeter wave network analyzer, millimeter wave anechoic chamber, water jet cutter, and a near field antenna range. This space is also part of the National Security Corridor.
5. **Advanced UAV and Satellite Materials Lab**: All equipment has been purchased and installation has begun at the UND Technology Accelerator. The expenses for the lab were significantly higher than anticipated in equipment and renovation costs. Because the lab is a priority item for research, funds from other items were reallocated.
6. **Neutral Buoyancy Tank**: We investigated a neutral buoyancy area as part of a new swimming/diving pool in the city of Grand Forks rather than building and maintaining a standalone tank. The funding for this item has been shifted to other higher priority items.
7. **Sensitive Compartmentalized Information Facility (SCIF)**: We have obtained a rough order of magnitude estimate of a solution and have identified multiple locations that could house the facility. We are ready to proceed with purchase and installation of the infrastructure necessary for the SCIF, once the physical location is approved. The infrastructure costs will be lower than estimated, and funds shifted other items.
8. **Satellite and Space Debris Tracking**: The funding for this item has been shifted to other higher priority items.
9. **Laboratory Configuration.**: The design for the renovation of the National Security Corridor is complete, and a contract is expected to be made within about a month to begin construction. Costs for lab configuration for the other equipment is pending.

## Commitments and expenditures to date

| | Estimated Cost | Expenses posted | Encumbrances | Committed | Total |
|---|---|---|---|---|---|
| | | | | | |
| Satellite Operation Center | 1,000,000 | 116,322 | 0 | 883,678 | **1,000,000** |
| Digital Engineering and Big Data | 300,000 | 168,070 | 557,675 | 52,238 | **777,983** |
| Satellite Design and Engineering Lab | 300,000 | 172,809 | 97,000 | 30,191 | **300,000** |
| Satellite Fabrication and Assembly Lab, including Clean Room | 2,400,000 | 120,871 | 2,508,684 | | **2,629,555** |
| Advanced UAV and Satellite Material Lab | 5,700,000 | 2,006,073 | 5,084,901 | 401,488 | **7,492,462** |
| Neutral Buoyancy TanV | 1,200,000 | | | | **0** |
| Sensitive Compartmented 7 Information Facility (SCIF) | 1,500,000 | | | 600,000 | **600,000** |
| Satellite and Space Debris Tracking | 900,000 | | | | **0** |
| Laboratory Configuration | 1,200,000 | | | 1,200,000 | **1,200,000** |
| | | | | | |
| | ***14,500,000** | **2,584,145** | **8,248,260** | **3,167,595** | **14,000,000** |

*The original proposal was for $14.5M, and we received $14M.

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# Attachment 3

# UND/NDSU 2023 Legislative Ask (68th Assembly)

| | Item | | Annual | Biennium |
|---|---|---|---|---|
| 1 | Northern Tier Network (Internet2 Connectivity) | UND Share | $ 325,000 | $ 650,000 |
| 2 | | NDSU Share | $ 325,000 | $ 650,000 |
| 3 | Computational Research (Primarily Manpower) | CRC (UND) | $ 775,550 | $ 1,551,100 |
| 4 | | CCAST (NDSU) | $ 775,550 | $ 1,551,100 |
| 5 | Cybersecurity Model Maturity Certification | UND | $ 500,000 | $ 1,000,000 |
| 6 | | NDSU | $ 500,000 | $ 1,000,000 |
| | **Total** | | **$ 3,200,102** | **$ 6,400,204** |

*Notes: (a) The request of the 66th Legislative Assembly was $5.7M. (b) The request of the 67th Legislative Assembly was $4.4M and consisted of the same line items and amounts as shown in rows 1-4 in the table above.*

## Northern Tier Network - Internet2 Connectivity

- Internet2 is an independent network that serves research and educational institutions. This network provides direct, and high-speed, access to collaborators and government laboratories across the nation that is essential to successful research operations within the state.
- During the FY24/FY25 biennium, North Dakota's research universities are asking for base funding of $650,000 per year ($1,300,000 per biennium) split evenly between UND and NDSU ($325,000 each per year) to cover our operating costs for our connection to the network.
- The ongoing cost of this service has been decreased by $1.3M from the previous biennial ask due to cooperation with the University of Minnesota and the South Dakota Board of Regents.

## Computational Research

- Our extremely knowledgeable researchers across all disciplines are working to solve the world's most challenging problems. Both UND's CRC and NDSU's CCAST maintain world-class research infrastructures that are prepared to assist in the solution to many of these problems. However, these systems are composed of cutting-edge capabilities that are difficult for researchers in most disciplines to effectively utilize.
- During the FY24/FY25 biennium, North Dakota's research universities ask for base funding of $775,550 per year (UND) and $775,550 per year (NDSU) to support hiring of experts to support faculty research on the existing computational resources. A small portion of this base funding will be used to support regular maintenance operations on the equipment.

## Cybersecurity Maturity Model Certification (CMMC)

- CMMC is a set of security standards issued by the Department of Defense (DoD) intended to protect Controlled Unclassified Information, which constitutes most information associated with or produced by DoD grants and contracts. The vast majority of DoD grants and contracts in the future will require CMMC level 2 certification.
- To meet this requirement, each campus will be required to implement new infrastructure for desktops, servers, networks, and other information services.
- During the FY24/FY25 biennium, UND and NDSU are asking for additional base funding of $500,000 per institution per fiscal year to implement the necessary controls to meet CMMC level 2 certification. Funds will cover additional staffing, equipment, and licensing.

# Attachment 4

# UND 2023 Legislative Ask (68th Assembly)

## Phase I IT Network Infrastructure Redundancy - $4M

The backbone of the university's operations is its computer network. Having a redundant and diverse network is critical to ensure that we have a reliable and robust network for the continuity of operations. UND's network path to buildings is a single point of failure. Merrifield Hall is the hub that provides network connections to all UND academic and operational buildings.

This initiative is to build a diverse path from the Data Center to Merrifield to provide a redundant network to other UND buildings in preparation for construction happening at Merrifield and to ensure that UND has a reliable network that can withstand extraneous circumstances in the future. The project has two phases. The first phase is to build a diverse path from the Data Center to Merrifield, estimated at $4M. Phase one is time sensitive due to construction scheduled to start next summer (2023).

This funding will cover the equipment, excavation, and installation expenses.

# Attachment 5

# 68TH NORTH DAKOTA LEGISLATIVE ASSEMBLY (2022)

## 2023-25 Biennium

University of North Dakota Proposed Legislative Asks/Proposed Legislative Changes

(Current as of January 6, 2023)

## Programs and Research Support

### Expand NDUS ND Indian Scholarship

***(Submitted by Vice Provost for Strategic Enrollment Management)***

- Support expanding NDUS ND Indian Scholarship to encourage and support more Native Americans to attend college.

**In 2019, UND identified new first-time, full-time students who received $7,170 in gift aid (grants/scholarships) increased their likelihood of enrolling by 65%.**

### High Performance Computing

- $3.2M for UND of joint submission with NDSU.
- Internet2 Connectivity: Covers operating costs for high-speed connections and express routing between research universities in the United States, national laboratories and other research organizations.
- Computational Research Center: Supports the state-of-the-art computing resources necessary for the award and successful participation in funded activities of big data research in a variety of areas including Medicine, Autonomous Systems, National Security and Energy.
- Cybersecurity Maturity Model Certification (CMMC): Funds additional staffing, equipment and licensing necessary for UND to remain eligible for DoD grants and contracts by reaching compliance with new DoD security standards for Controlled Unclassified Information (institutions must be formally certified by 2025).

### Research and Economic Development Fund (Legacy earnings)

- Legislation creating an economic diversification research fund passed unanimously in the Senate during the last session but failed in the House. In the end, $30M was committed to research, workforce development and LIFT.
- Proposed research investment will be directed strategically to build research strength, train students with high-level skills, reach all campuses in NDUS, and demonstrate and report measured outcomes and ROI.
- Invest strategically, prioritize areas of State significance, expand national reputation and competitiveness, and broaden relevance to existing and new industries.
  - Energy and Environmental Sustainability.
  - Health Care and Rural Health and Biotechnology.
  - Agriculture and Ag Technology.
  - UAS and Autonomous Systems.
  - Advanced Manufacturing and Materials.
  - Cross-cutting National Security Challenges.
- Block grants to build capacity in human and physical research infrastructure (excluding new buildings) and for basic and applied research projects, programs and initiatives.

### Redesignation of State Energy Research Center

- Removal of sunset clause.
- Nearly 50 State Energy Research Center (SERC) projects have been initiated over the last two biennia, already resulting in 12 new invention disclosures and seven new patent applications.
- As a result of these SERC projects, over $12M of proposals, resulting in over $6M worth of additional funding to date, has been secured to advance these ideas further.
- The Energy Hawks Program, funded through SERC, has supported 56 university students of all disciplines from UND and four other NDUS institutions to become knowledgeable North Dakota energy advocates and stewards.

## Capital

### Science, Engineering & National Security Corridor

- $14.5M ($11.6M in State appropriations + $2.9M in local funds).
- Initial funds to finish design work for bidding and site preparation (demolition of Hyslop) for a new building.
- Final design and project scope will result in demolition, remodeling and new construction involving 9 buildings. Results in a net reduction of around 200K GSF and eliminates around $175M in capital renewal needs.
- New construction geared towards modern lab spaces that are difficult to accomplish in existing buildings with limited ceiling heights and existing structural limitations.
- Provide new, enhanced space for STEM academic space for undergraduate and graduate students in all colleges.

*Science, Engineering & National Security Corridor continued on page 2 >*

## Capital (continued)

### Science, Engineering & National Security Corridor (continued)

- The combined growth in enrollment and research activity has created a significant need in the College of Engineering & Mines for not only more space, but space better suited for the type of research CEM conducts:
  - Grown from roughly 1,300 students in 2010 to over 2,100 students today.
  - Offers more than 35 degrees across 17 different fields of engineering, computing and geology. Includes the addition of computer science to the CEM, along with the creation of new programs in cybersecurity, data science, biomedical engineering and systems engineering.
  - Growth in programs has coincided with increased employer demand across North Dakota in same areas.
  - CEM research has grown by more than 40% in the past several years, with over $9M in externally funded research expected this year in areas such as energy, rare earth elements, UAS and national security.

### Consolidated Allied Health Master Planning, Design & Construction

- $9M ($7.2 in State appropriations + $1.8M in local funds).
- Funds to begin necessary testing, design work and cost-estimating to scope a project to consolidate allied health space needs campuswide, leveraging the newer School of Medicine & Health Sciences building/site.
- Currently allied health programs and services are spread across 10+ buildings and utilize around 528K GSF.
- UND cannot take advantage of economies of scale and scope because the fractionated physical plant and geography related to allied health spaces. Consolidation of spaces would result in operational efficiencies, dual use of space, shared space, improved space utilization, a reduction in UND's GSF and deferred maintenance.
- SMHS laboratory space will be directly impacted by the closure of Columbia Hall, which operates a well-funded research center studying epigenetics in the basement. In addition, the Neuroscience Research Center and Biomedical Research Center have shared MEP systems with Columbia Hall. Coupled with an enormous increase in SMHS research awards, the most pressing space need for SMHS is wet and dry laboratory space. SMHS sponsored funding was up 25% in FY21 compared with FY20, and to date is up 50% in FY22.
- SMHS's continued growth and new programming help alleviate North Dakota's healthcare workforce shortage and have resulted in substantial enrollment growth in areas like public health and Indigenous health.

### Armory

- 20,174 GSF building completed in 1919.
- $8.9M remodeling budget ($7.12M in State appropriations + $1.78M in local funds).
- Provides adequate instructional space, office space, storage space and drill space for ROTC.
- UND's first Battalion courses were taught in 1890. Growing demand in ROTC due to having a local Air Force Base and growing relationship with U.S. Space Force. ROTC programming is important for recruitment of campus students, especially with John D. Odegard School of Aerospace Sciences students.

### Simulated Rural Emergency Hospital

- $6M
- Undergraduate nursing enrollment/growth is restricted due to limited local and regional agency capacity for students' clinical experiences, as well as availability of masters or doctoral prepared, qualified nurse educators.
- A portion of required direct patient care experiences in clinical agencies can be replaced by simulated clinical experiences.
- To provide comparable clinical learning experiences through simulation, qualified simulation staff, additional advanced simulation equipment, and extended, complex, and multifaceted scenarios are needed.
- A Simulated Rural Emergency Hospital (SREH) expands the nursing students' experiences to offer individual and shift-based scenarios that prepare students for patient situations that will be integral to their clinical practice.
- An SREH provides opportunities for interprofessional learning with other allied health programs (i.e. psychology, medicine, and social work) where students learn to work as a team in a safe, supported educational environment.
- Interprofessional education will lead to workforce development in critical areas as well as prepare health care students to improve patient outcomes.
- A SREH also expands workforce training opportunities for already licensed providers in critical need areas like behavioral health and rural communities.

## Other Asks

- Merit Review & FOIA: Keep reviews confidential.
- Support to Nursing Education Consortium for training simulators
- Alignment of Veteran's hiring preference with federal rules.
- Support NDUS behavioral Health submission of $3.64M to enhance student mental health services.

# 68TH NORTH DAKOTA LEGISLATIVE ASSEMBLY (2022)

## 2023-25 Biennium

NDUS Proposed Legislative Asks/Proposed Legislative Changes Legislative Asks

(Current as of July 19, 2022)

## Changing Economic Funding Conditions

- **Capital budget request/Consider $19 million in Tier I and Tier II Funding for 2023-25 Biennium:**
  - Consider reducing match requirements from 2:1 to 1:1 match for Tier I extraordinary repair funds – all institutions except UND and NDSU
  - Consider reducing Tier III Capital building funds from 2:1 to 1:1 match for all institutions
  - Consider allowing special assessments of acceptable use of capital building funds
  - NDUS supportive of additional Tier II funds
  - Can institutions execute these projects with inflation, supply chain, increased costs
- **Minimum amount payable**
  - Restore minimum amount payable to 96% of the prior biennium base funding. Slows funding decreases if credit production drops. Provides time for planning/reduction of fixed operational costs
- **Tuition remediation (i.e., inflationary increases could negatively affect tuition)**
  - Move to a stabilization fund (from cabinet agenda – optional)
  - SBHE looks forward to working with the Governor and Legislative Assembly to address inflation as part of a statewide plan. Consider increase in funding formula/credit hour rate for NDUS institutions

## Educational Pathway Innovations

- $24M academic innovation fund
- Develop Gen Ed Course for Digital Literacy
- Financial Aid Programs — Statutory edits:
  - Dual-credit tuition scholarship program
  - ND Indian Scholarship
  - ND Scholars
  - ND Academic CTE/ND Scholarship
  - ND Career Builders Liam Repayment Program

## Challenges in Talent Recruitment & Retention

- Proposed 6%/4% salary increases for the biennium and supports general funds to offset the tuition portion of the compensation package
- Staff salary discussion/study

## Dynamic Enrollment Environment

- Marketing Campaign
- Enrollment study – best practices
- Scholarships and related support
  - $10M energy workforce scholarship request
  - SLDS support to understand enrollment pool, why they are leaving/why staying (Jen Weber)

## Technical Transformation: Energy and Digital Enterprise

- Research
  - Consider permanent research funding stream (possibly with Legacy funds)
  - Research network infrastructure
- Compliance department focused on technology
- Consider confidentiality language for work papers (similar to Internal Audit in HB1346 from 21 session)
- NDUS Security Operations Center (Darin King)
- $475K Dakota Digital Academy
- Challenge Grant Funding – Current biennium state funding is $11,150,000; consider adding other authorized uses (workforce related, etc.)

## Legislative Relations and Policy Implications

- Engagement strategies
  - Local legislator relations
  - New legislative leadership
- Social issues
  - President Biden to overhaul Title IX

## 2023-25 NDUS CAPITAL PROJECTS REQUEST RECOMMENDED FOR APPROVAL BY THE SBHE

| Institution | Institution Priority | SBHE Priority | Project Title | Project Total | Funding Source | | Project Type | % Life Safety & Deferred Maint. | % Program Enrollment Driven | % Local $ | Amount DM/ LS |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | General Funds | Other Funds | | | | | |
| DCB | 1 | 1 | Old Main/Center for Rural Health Education | $975,000 | $975,000 | | Major renovation to existing facility. | 100% | | 0.00% | $975,000 |
| LRSC | 1 | 1 | Wind Turbine Gearbox Replacement | $350,000 | $350,000 | | Equipment repair. | 100% | | 0.00% | $350,000 |
| MaSU | 1 | 1 | Old Main Renovation | $39,649,100 | $39,649,100 | | Major renovation to existing facility. | 100% | | 0.00% | $39,649,100 |
| MiSU | 1 | 1 | Dakota Residence Hall Demolition | $725,000 | $725,000 | | Removal of facility. | 100% | | 0.00% | $725,000 |
| DSU | 1 | 2 | Agriculture & Technical Education Building | $10,200,000 | $6,800,000 | $3,400,000 | Major renovation to existing facility. | 90% | 10% | 33.33% | $9,180,000 |
| NDSU | 1 | 3 | Engineering Building | $98,000,000 | $73,500,000 | $24,500,000 | New construction with major renovation to existing facility. | 85% | 15% | 25.00% | $83,300,000 |
| VCSU | 1 | 4 | McCarthy Hall Renovation | $8,486,000 | $6,486,000 | $2,000,000 | Major renovation to existing facility. | 60% | 40% | 23.57% | $5,091,600 |
| UND | 1 | 5 | Science, Engineering, & National Security Corridor Planning & Demolition | $11,000,000 | $8,800,000 | $2,200,000 | Renovation, removal and planning. | 51% | 49% | 20.00% | $5,610,000 |
| BSC | 1 | 6 | Multipurpose Academic/Athletic Performance Center | $28,500,000 | $22,000,000 | $6,500,000 | New construction with demolition of existing facility. | 30% | 70% | 22.81% | $8,550,000 |
| NDSCS | 1 | 7 | Agriculture, Automation & Autonomous Systems | $18,171,405 | $16,354,264 | $1,817,141 | Major renovation to existing facilities and new construction. | 25% | 75% | 10.00% | $4,542,851 |
| WSC | 1 | 8 | Medical Healthcare Building | $36,600,000 | $26,600,000 | $10,000,000 | New construction. | | 100% | 27.32% | $- |
| | | | State General Funds Projects | $252,656,505 | $202,239,364 | $50,417,141 | | | | | $157,973,551 |

## 2023-25 NDUS CAPITAL PROJECTS USING OTHER FUNDS RECOMMENDED FOR APPROVAL BY SBHE

| INSTITUTION | PROJECT | COST | SOURCE OF FUNDS |
|---|---|---|---|
| NDSU | MUSIC BUILDING | $20,000,000 | DONATIONS |
| NDSU | SUDRO SMALL ANIMAL LAB | $3,000,000 | GRANTS/OTHER |
| VCSU | OSMON FIELD HOUSE | $20,000,000 | DONATIONS |
| VCSU | STUDENT CENTER R&R | $2,000,000 | DONATIONS |

# Attachment 6

**Workforce Education Innovation Fund**
***Proposals from the University of North Dakota***

1. **Career and Experiential Learning Center**
2. **Rural Emergency Hospital Simulation Project**
3. **Recruitment and Retention of American Indians into Nursing (RAIN) Program enhancement**
4. **Office of Teacher Recruitment and Retention workforce initiatives**
5. **Bachelor of Science in Space Studies**
6. **Graduate Program in AI and Quantum Science**
7. **Cyber Range to support Cybersecurity Education**
8. **Undergraduate programs in Audio and Visual Production and Engineering**

## Career and Experiential Learning Center

The rapid pace of changes in industry and globalization of the workforce requires us to ensure that we can help to accelerate workforce learning and development regardless of program or degree. Where many technical programs accomplish this through a CTE center, students in all degree programs would benefit from gaining similar experience with hands-on workforce education. At UND we have the opportunities available to help our students develop the skills our workforce needs. We should help ensure our students have access to these opportunities in a more intentional way. By explicitly combining the kinds of learning opportunities available across our campus with career development expertise we can ensure that all students are building the skills needed for the workforce of the future.

This center would combine the many options available to students at UND that help them to engage directly in the workforce and with opportunities across the region. The center would include opportunities for student participation in internships, co-op experiences, study abroad, service learning (e.g., Riipen), diversity & inclusion experiential learning (e.g., COIL), UG teaching assistantships, UG research opportunities, and employment available across the region and the state. This will help students see the variety of workforce learning available to them that they may not have considered.

The CEL Center would be one location where all students could learn about the various experiential learning opportunities available to them. CEL Center staff would help students identify what fits within their program of study and what skills will help them to attain the future career(s) of their choice. It would work to provide relevant experiential learning opportunities that match students with the needs of business and community partners and simplify the process for both students and industry partners.

The CEL Center will integrate its activities across campus and the region in the following ways:

- With Career Services to make connections for internships, co-ops, and career preparation
- With study abroad and academic advisors to integrate skills gained with career readiness
- With faculty for service learning, undergraduate research, and teaching assistantships
- With staff opportunities across campus for student employment
- With the soon-to-be-built Career Impact Academy in Grand Forks for employment and training opportunities not available on campus
- With Access UND: Pathways to Career Success for additional academics-to-career planning tools especially for our online and distance learners.

- With Access UND and Teaching Transformation & Development Academy (TTaDA) for digital badging to recognize career skills development and integrate badges with degree curricula.

**Rural Emergency Hospital Simulation Project**

Undergraduate nursing enrollment/growth is restricted due to limited local and regional agency capacity for students' clinical experiences, as well as availability of masters or doctoral prepared, qualified nurse educators. A portion of required direct patient care experiences in clinical agencies can be replaced by simulated clinical experiences. To provide comparable clinical learning experiences through simulation, qualified simulation staff, additional advanced simulation equipment, and extended, complex, and multifaceted scenarios are needed.

A Simulated Rural Emergency Hospital (SREH) expands the nursing students' experiences to offer individual and shift-based scenarios that prepare students for patient situations that will be integral to their clinical practice. An SREH provides opportunities for interprofessional learning with other allied health programs (i.e. psychology, medicine, and social work) where students learn to work as a team in a safe, supported educational environment.

Interprofessional education will lead to workforce development in critical areas as well as prepare health care students to improve patient outcomes. A SREH expands workforce training opportunities for already licensed providers in critical need areas like behavioral health and rural communities.

**Recruitment and Retention of American Indians into Nursing (RAIN) Program Enhancement**

The UND Recruitment and Retention of American Indians into Nursing (RAIN) Program is an Indian Health Service authorized program with a 30+ year history of successfully educating and graduating American Indian/Alaskan Native (AI/AN) nurses who serve North Dakota and our ND Tribal Nations. It maintains outreach and support networks with AI/AN communities, identifies and recruits AI/AN individuals into Nursing education, and provides support services to retain and assist AI/AN students in obtaining nursing degrees. Many graduates of the RAIN program staff the Indian Health Service and tribal health facilities, which currently have a staffing shortage of over 700 nursing positions. More than 54% of RAIN graduates remain in ND to work.

With the enhancement of the RAIN program, UND will expand its nurse mentoring program to include Social Work and Nutrition & Dietetics students. RAIN is recognized nationally for its high (over 90%) retention and graduation rate of minority nursing students. By expanding the program beyond Nursing to include Social Work and Nutrition & Dietetics students, UND will help promote student recruitment, retention, and graduation of students that are in high-demand fields. It is estimated that more than 100 new child welfare social workers are needed in ND in the next five years alone and with 21% of current registered nurses set to retire by 2026, the nursing workforce shortage will continue to be impacted. Nurses, social workers, and dietitians/nutritionists are all listed as "in-demand occupations" by ND Job Service in 2022.

This will help attract and retain new and underserved student populations and restore strong and collaborative relationships with Indigenous Nations in what is now known as North Dakota and the region, including tribal colleges and universities (TCUs). The expansion of our RAIN program into an interprofessional program (RAIN-CNPD) will especially facilitate our college collaborations with our tribal colleges and communities. With this enhancement, we anticipate increased interagency collaborations with tribal colleges and communities, rural health clinics, Altru and Sanford Health systems, and other

community partners. The provision of health and social services to American Indian people by providers who are from similar cultural backgrounds, knowledgeable of the socioeconomic realities of reservation life, and who are committed to the improvement of health in their home communities is needed in North Dakota and is the catalyst for making sure the RAIN program remains viable.

**Office of Teacher Recruitment and Retention workforce initiatives**

The UND Office of Teacher Recruitment and Retention (OTRR) is pursuing a wide range of initiatives designed to both engage more potential teacher candidates and improve circumstances so that current teachers are more likely to remain in the classroom. With this request, the OTRR staff will be able to:

1. Hire a Career Technical Education (CTE) coordinator to support HS students and other potential students (such as adults living in rural communities) in the steps necessary to obtain a teaching degree, leveraging CTE requirements and training opportunities.
2. Implement the action steps related to a more diverse teacher pipeline promoted by the US Department of Education through the Teach-to-Lead program.
3. Develop a train-the-trainer approach to adopting evidence-supported classroom management and stress reduction programs that have been demonstrated to reduce teacher burnout, increase job satisfaction and increase teacher retention.
4. Establish an annual conference, free to educators throughout North Dakota, that provides PDE opportunities, provides teacher supports, and engages undergraduate students to encourage retention to graduation.

Outcomes:

- 75 new preservice teachers in NDUS programs through CTE pathways: 25 in Yr 1 and 50 in Yr 2
- 20 teacher candidates at UND from Indigenous communities: 8 in Yr 1 and 12 in Yr 2
- Delivery of no-cost PDE to 500 teachers in ND: 200 in Yr 1 and 300 in Yr 2.
- 5% Increase in retention of current teachers in participating school districts

**Bachelor of Science in Space Studies**

We are living in a new era of remarkable space pursuits where things that were once considered to be science fiction are now reality. With new developments from NASA coupled with US and international commercial companies, there are an increasing number of launch vehicles, satellites, and human spaceflight opportunities that require space professionals trained to advance these growing areas of science, engineering, and operation.

UND is offering a new undergraduate Bachelor of Science Degree in Space Operations to address the aerospace industry's rapid changes as well as to prepare for future trends evidenced by new projects that are taking place, such as the Artemis Program and the Starship launch vehicle.

This degree has been designed specifically for students who want to work in either the private/commercial industry (SpaceX, Blue Origin, Boeing, or other launch and service providers) or the government sector (NASA, FAA, or the military space sector). We developed a multidisciplinary curriculum that follows the needs of this interesting field.

This program is one of the few non-engineering spaceflight-related programs in the world, which will prepare you to work in this unique industry. Covering human factors, launch vehicles, simulations,

international space programs, orbital mechanics, satellite operations, human spaceflight activities, safety, management, space policy and law and other areas, you will be able to understand and integrate these different disciplines in a cohesive way.

The Bachelor of Science in Space Operations program is offered by the John D. Odegard School of Aerospace Sciences, one of the most recognized aerospace schools in the United States. The program is administered by the Department of Space Studies, the global leader in interdisciplinary space studies.

The Department of Space Studies maintains several areas of research for NASA. In the Human Spaceflight Laboratory, students help to design advanced spacesuits and plan analog simulated missions for the moon and Mars at the Inflatable Lunar/Mars Analog Habitat (ILMAH). Other research projects include testing commercial spacesuits, searching for potentially hazardous asteroids, designing spacecraft cockpits using Human-Centered design practices, and testing rocket propulsion systems.

**Graduate program in AI and Quantum Science**

UND will develop a set of related PhD (with embedded Master's) degrees in Quantum Computing, Artificial Intelligence, and Quantum Information Systems that will provide access for students to some of the most sought after ("hottest") degrees in the current and anticipated job market. The degrees will support a broad range of interests, but emphasis will be on topics that are especially important to national security and to space. As with other recent national security / space endeavors at UND, it is envisaged that the programs will be jointly offered and administered by the College of Arts & Sciences, the College of Engineering and Mines and the Odegard School of Aerospace Sciences. These programs would position UND at the leading edges of these technologies and thus as a leader in the field:

- PhD in Machine Learning & Artificial intelligence
- PhD in Quantum Information Systems.
- PhD in Human-Centered Computing (HCC) [patterned after degree at Georgia Tech]

**Cyber Range to support Cybersecurity Education**

A "Cyber Range" is a cloud-based cross-disciplinary training tool that teaches students to manage cyber security attacks in a variety of scenarios. It is a very immersive experience in which students log into the system to act in a variety of cyber security roles in away similar to a gun range is used to train first-responders and military members through a variety of realistic scenarios. These devices provide performance-based learning and assessment, an environment for teams to work together to improve teamwork, and simulate on-the-job experience.

A cyber range as described here would be comprised of a collection of servers, located in the NDUS data center at UND, and connected to the university and the state as a whole. The system will have all needed software in place to manage the range for UND students and faculty, as well as students and faculty members at associated colleges across the NDUS and interested tribal colleges.

What We Are Asking For:

- Network, servers, and storage to support cybersecurity educational activities across the NDUS and tribal colleges
- Range Learning Management System (RLMS) - software that manages student progress

- Orchestration Layer – software that manages the activities dictated by the RLMS
- Target Infrastructure – Simulated environment in which students train

Benefits to NDUS:

- A safe, legal environment to gain hands-on cyber skills
- A secure environment for product development and security-posture testing
- Hands-on cyber security training at all levels of complexity from undergraduate certificates to the graduate level

**Undergraduate Programs in Audio and Visual Production**

Programs in Audio and Visual Production are expected to continue to grow. The demand for audio-visual systems is being fueled by several factors, including the rapid advancements in audio and display technology, the rapid adoption of cloud solutions, the broad use of CGI (computer-generated imagery), and the emergence of artificial intelligence.

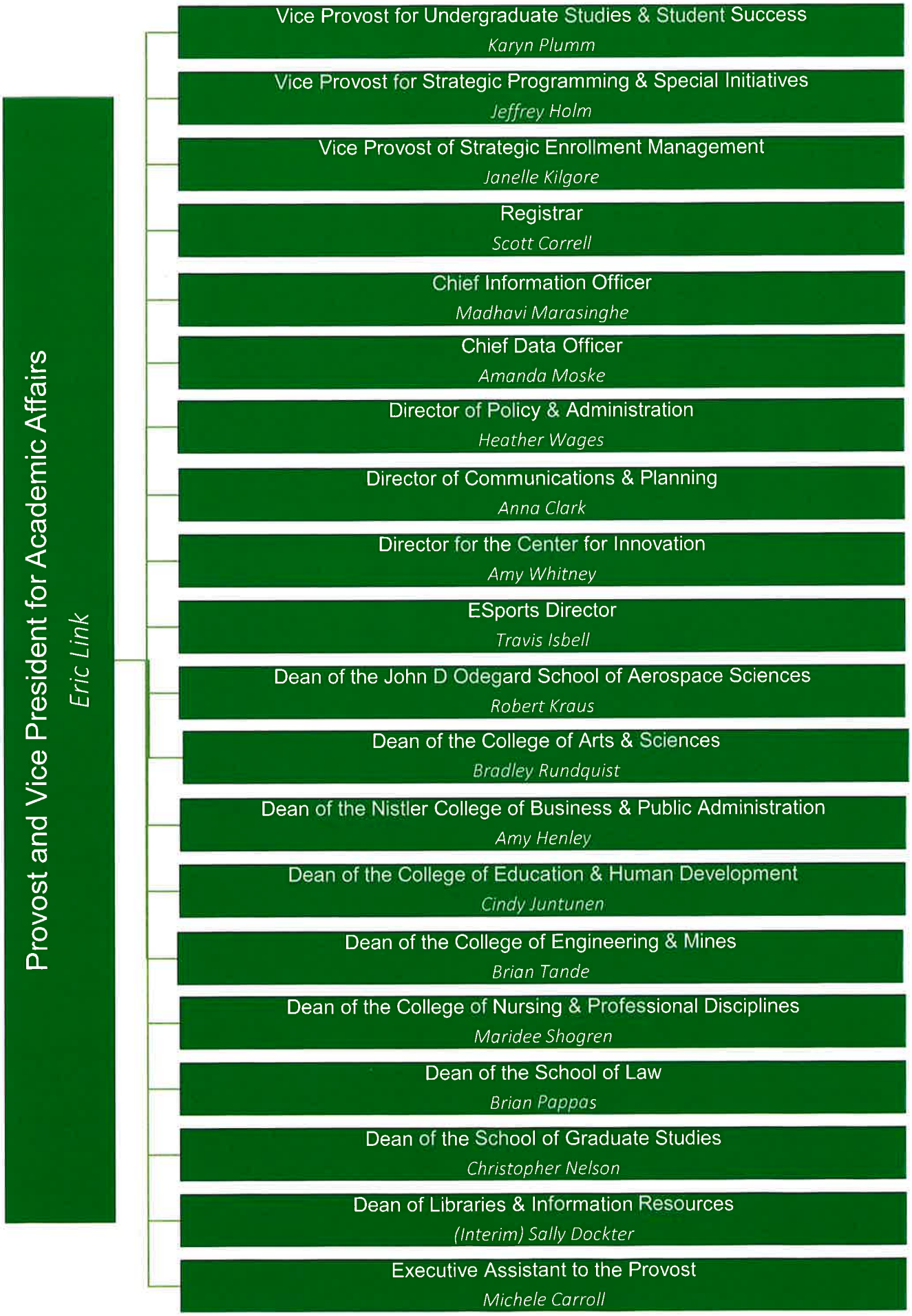
Programs that include creating and refining the audio and video that educates and entertains audiences through the radio, television, films, video games, online platforms, human service, and live performances. Students will learn the creative and technical skills to record, edit, mix, and master digital audio and video using industry-standard equipment and technology, and can integrate CGI animation into their curriculum.

This package of interdisciplinary programs could both expand offerings for students in the region as well as link to the KnightRider Recording Studios being developed in local Grand Forks high schools. These programs could include courses within the College of Arts & Sciences, the College of Education & Human Development, the Nistler College of Business and Public Administration, and the College of Engineering & Mines providing unique interdisciplinary degree options. Possible programs include:

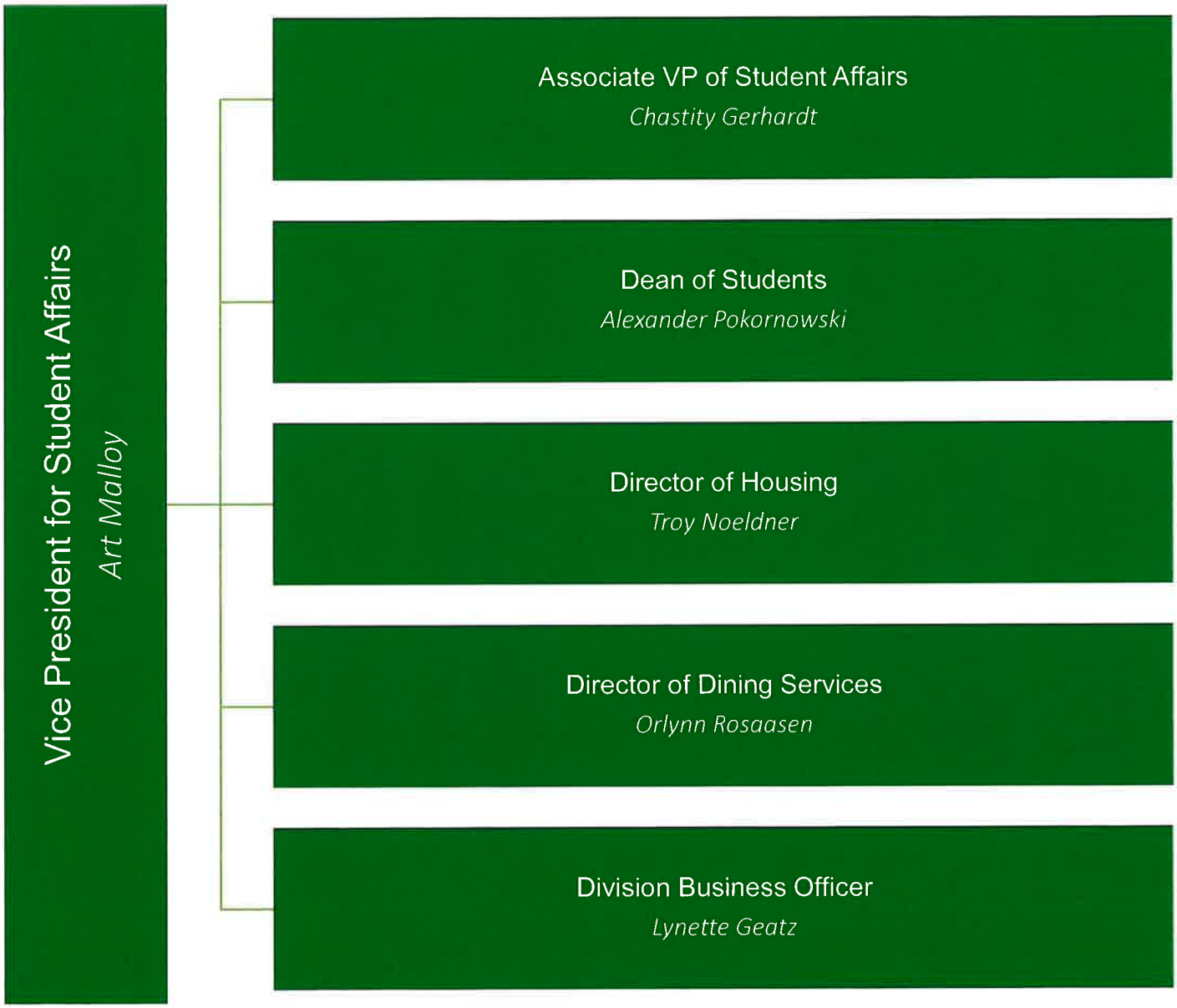
- Bachelor degree in Audio Production (Music creation, mixing, and mastering; Music therapy; Film audio; Gaming audio)
- Bachelor degree in Video Production (Animation and special effects; Film; Gaming)
- Bachelor in Recording Arts Technology (Broadcast Journalism; Performance)

# Attachment 7

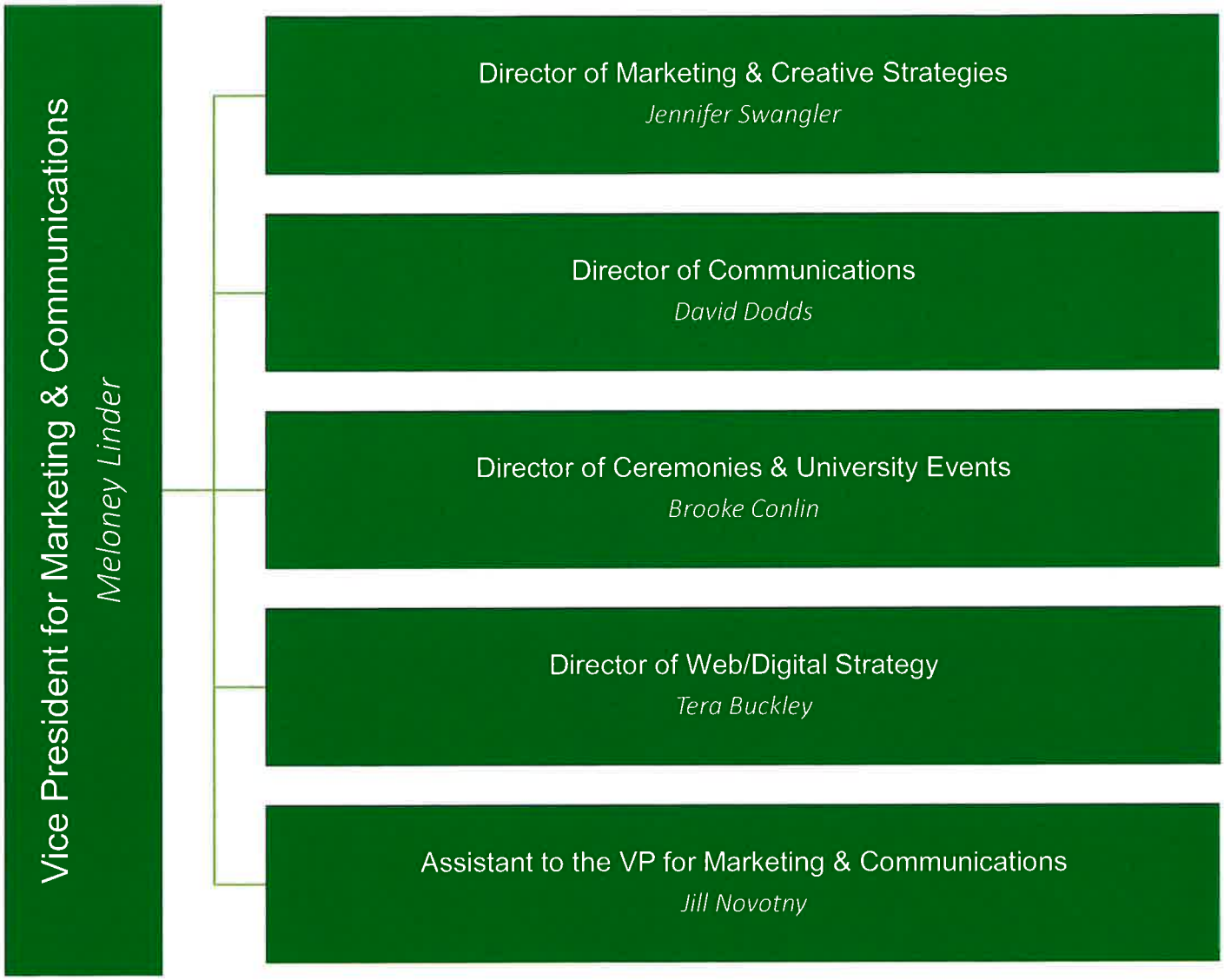
UND President
Andrew Armacost
Provost and Vice President for Academic Affairs
Eric Link
Vice President for Finance & Operations / Chief Operating Officer
Karla Stewart
Vice President for Student Affairs
Art Malloy
Vice President for Research & Economic Development
(Interim) John Mihelich
Vice President for Marketing & Communications
Meloney Linder
Vice President for Health Affairs and
Dean of the School of Medicine & Health Sciences
Joshua Wynne
Athletics Director
William Chaves
Chief Executive Officer of the Energy & Environmental Research Center
Charles Gorecki
Chief of Staff
Robert Carolin
Director of Internal Auditing
Timothy Rerick
Special Assistant to the President for Diversity & Inclusion
Tamba-Kuii Bailey


Provost and Vice President for Academic Affairs
Eric Link
Vice Provost for Undergraduate Studies & Student Success
Karyn Plumm
Vice Provost for Strategic Programming & Special Initiatives
Jeffrey Holm
Vice Provost of Strategic Enrollment Management
Janelle Kilgore
Registrar
Scott Correll
Chief Information Officer
Madhavi Marasinghe
Chief Data Officer
Amanda Moske
Director of Policy & Administration
Heather Wages
Director of Communications & Planning
Anna Clark
Director for the Center for Innovation
Amy Whitney
ESports Director
Travis Isbell
Dean of the John D Odegard School of Aerospace Sciences
Robert Kraus
Dean of the College of Arts & Sciences
Bradley Rundquist
Dean of the Nistler College of Business & Public Administration
Amy Henley
Dean of the College of Education & Human Development
Cindy Juntunen
Dean of the College of Engineering & Mines
Brian Tande
Dean of the College of Nursing & Professional Disciplines
Maridee Shogren
Dean of the School of Law
Brian Pappas
Dean of the School of Graduate Studies
Christopher Nelson
Dean of Libraries & Information Resources
(Interim) Sally Dockter
Executive Assistant to the Provost
Michele Carroll

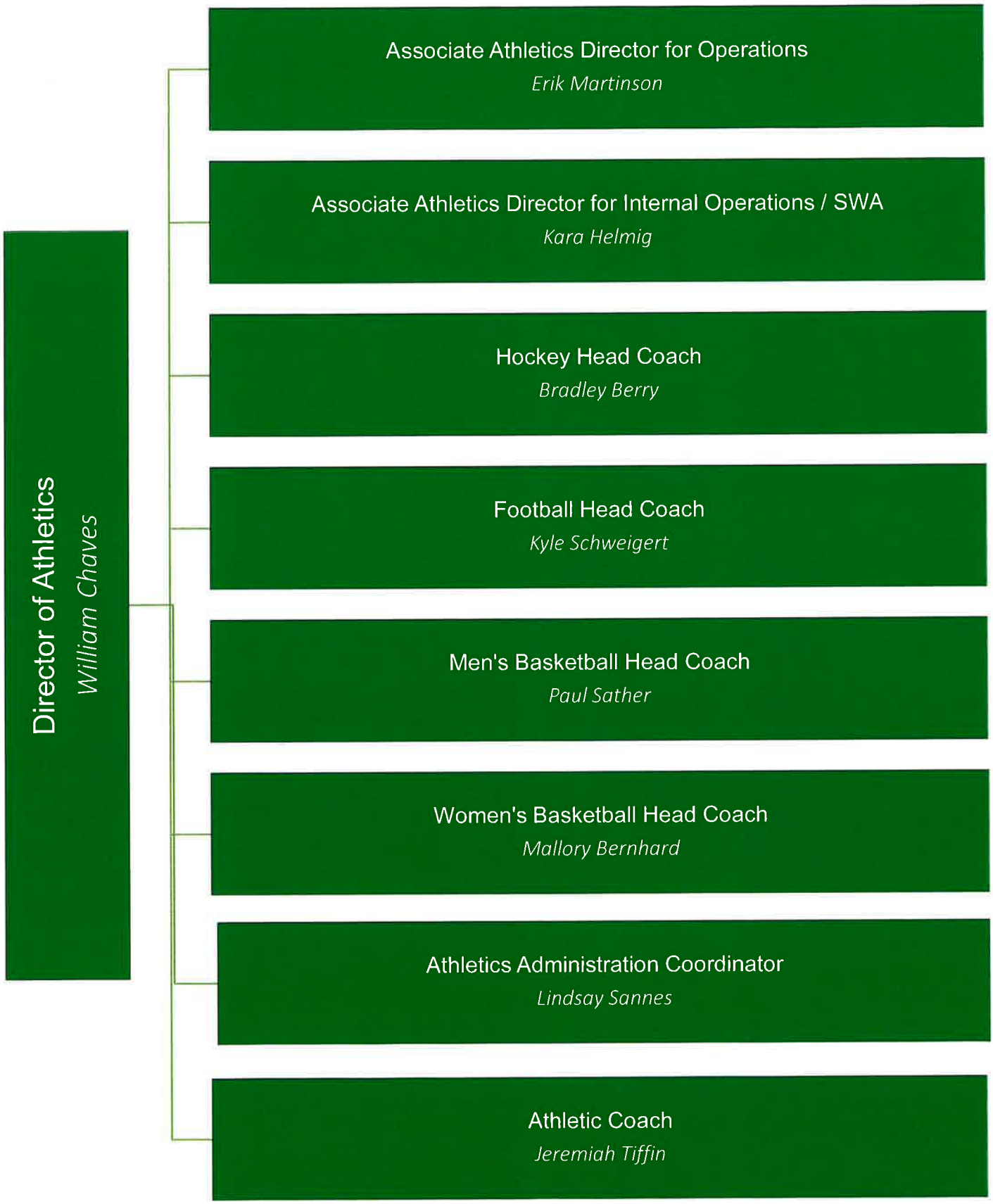
Vice President for Finance & Operations / Chief Operating Officer
Karla Mongeon-Stewart
Associate Vice President for Finance
(Interim) Odella Fuqua
Associate Vice President for Human Resources & Payroll Services
Margaret Varberg
Associate Vice President for Facilities
Michael Pieper
Associate Vice President for Public Safety and Chief of Police
Rodney Clark
Associate Vice President for Equal Opportunity & Title IX
Donna Smith
Director of the Chester Fritz Auditorium
Betty Allen
Special Projects Assistant to the VPFO
Jennifer Rogers
Adminstrative Officer/Executive Asistant
Robert Frasier

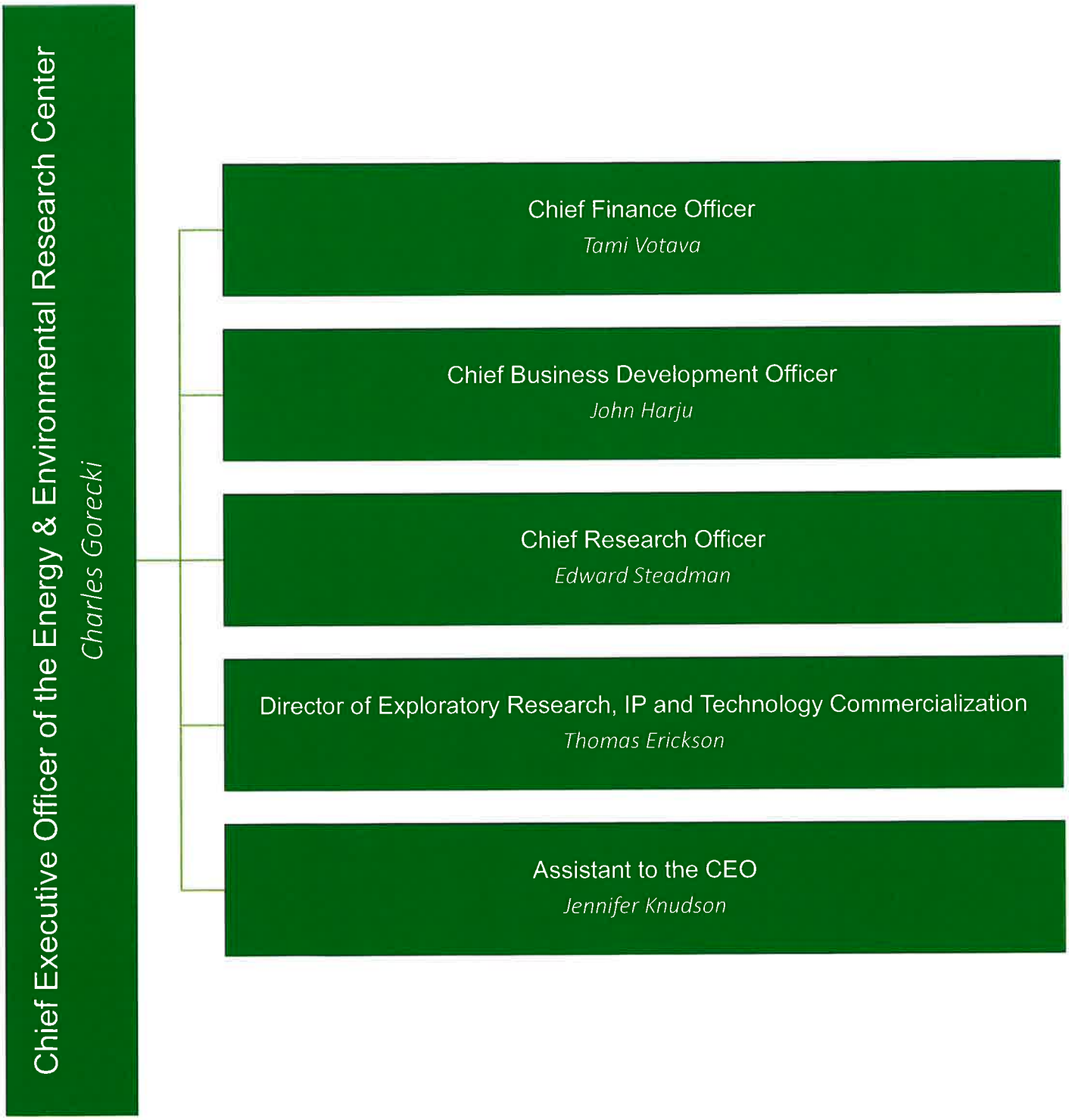

Vice President for Student Affairs
Art Malloy
Associate VP of Student Affairs
Chastity Gerhardt
Dean of Students
Alexander Pokornowski
Director of Housing
Troy Noeldner
Director of Dining Services
Orlynn Rosaasen
Division Business Officer
Lynette Geatz

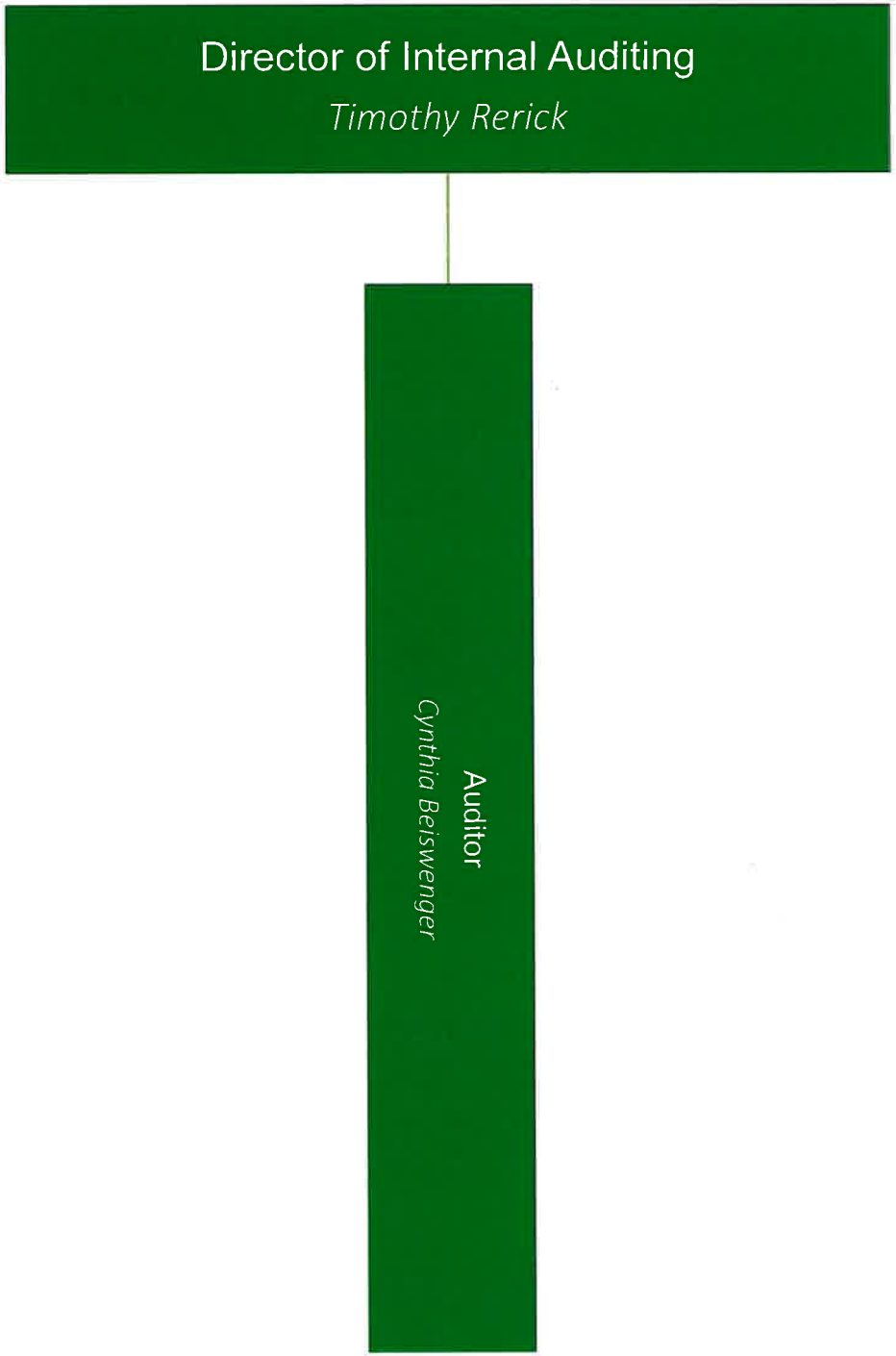
Vice President for Research & Economic Development
(Interim) John Mihelich
Associate VP for Research - National Security at UND
Mark Askelson
Executive Director of the Northern Plains UAS Test Site
Trevor Woods
Licensing & Technology Transfer Associate
Mohammad Osman
Driector of Research & Sponsored Program Development
Michael Sadler
Director of Research Assurance & Ethics
Michelle Bowles
Director of Commercial & Corporate Partnerships
Naomi Hansen
Director of Strategic Finance, Operations & Reporting
Trinity Bohlman
Director of Grants & Contracts
Lauren Pite
Director of Behavioral Health Research
Kelly McShane
Research Developer
Michael Mann
Research Developer
Thomasine Heitkamp
Graduate Teaching Assistant
Michael Rosati

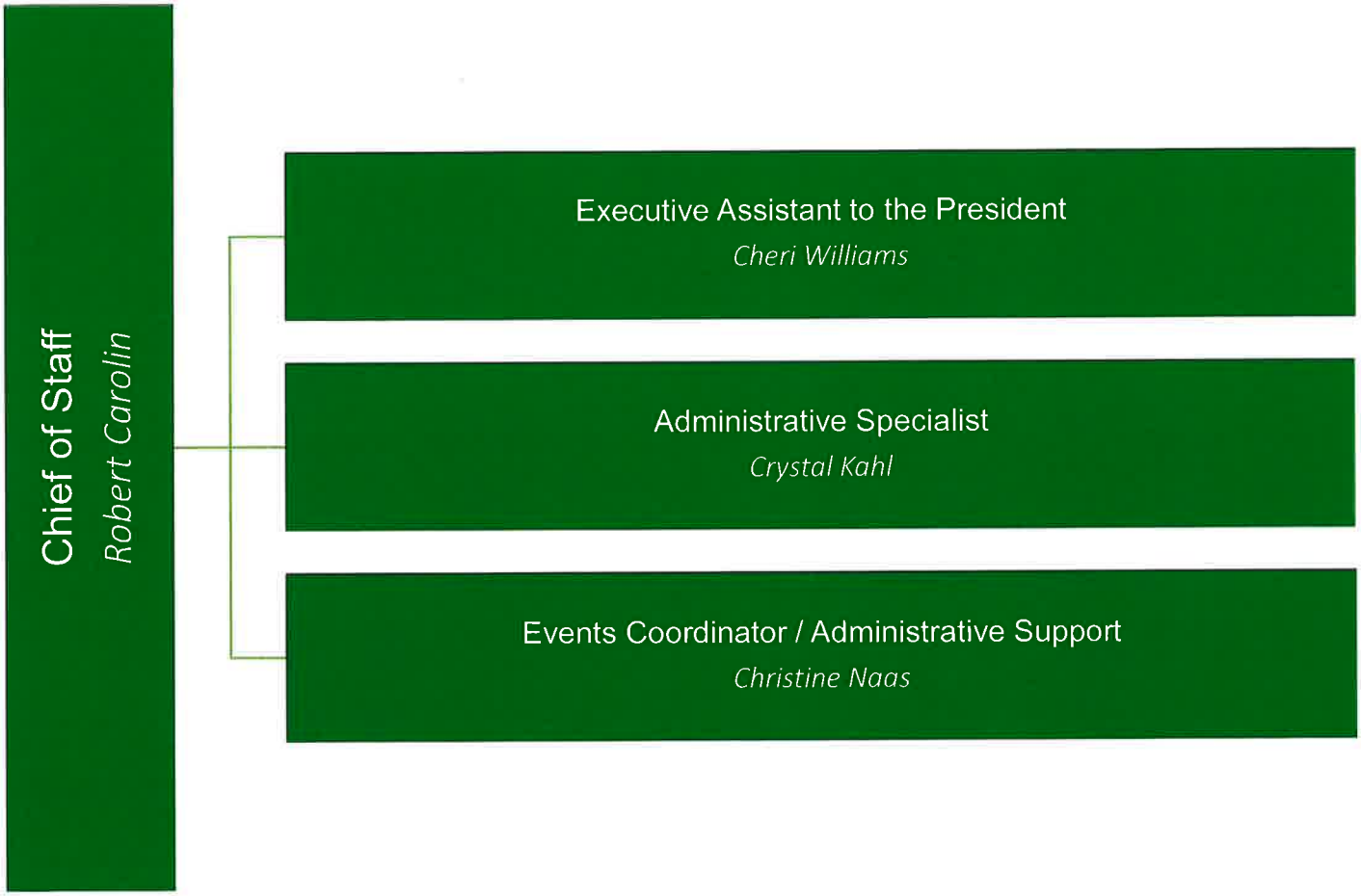

Vice President for Marketing & Communications
Meloney Linder
Director of Marketing & Creative Strategies
Jennifer Swangler
Director of Communications
David Dodds
Director of Ceremonies & University Events
Brooke Conlin
Director of Web/Digital Strategy
Tera Buckley
Assistant to the VP for Marketing & Communications
Jill Novotny

Vice President of Health Affairs and
Dean of the School of Medicine & Health Sciences
Joshua Wynne
Senior Associate Dean for Medicine & Research
Marc Basson
Associate Dean for Health Sciences
David Relling
Associate Dean for Education & Faculty Affairs
Kenneth Ruit
Associate Dean for Administration & Finance / COO
Namil Choi
Co-Director of Indians into Medicine
Daniel Henry
Director of Alumni & Community Relations
Brian Schill
Deputy Director of Rural Health
Brad Gibbens
Professor of Pathology
Donald Sens
Chief of Staff
Judy Solberg


Director of Athletics
William Chaves
Associate Athletics Director for Operations
Erik Martinson
Associate Athletics Director for Internal Operations / SWA
Kara Helmig
Hockey Head Coach
Bradley Berry
Football Head Coach
Kyle Schweigert
Men's Basketball Head Coach
Paul Sather
Women's Basketball Head Coach
Mallory Bernhard
Athletics Administration Coordinator
Lindsay Sannes
Athletic Coach
Jeremiah Tiffin


Chief Executive Officer of the Energy & Environmental Research Center
Charles Gorecki
Chief Finance Officer
Tami Votava
Chief Business Development Officer
John Harju
Chief Research Officer
Edward Steadman
Director of Exploratory Research, IP and Technology Commercialization
Thomas Erickson
Assistant to the CEO
Jennifer Knudson


Director of Internal Auditing
Timothy Rerick
Auditor
Cynthia Beiswenger


Chief of Staff
Robert Carolin
Executive Assistant to the President
Cheri Williams
Administrative Specialist
Crystal Kahl
Events Coordinator / Administrative Support
Christine Naas

# Attachment 8

# University of North Dakota Audit Findings for the FY 21-23 Biennium

**UND Operational Audit for the Biennium Ending 6/30/2020 – completed 8/4/21**

**Findings**

- Ensure that fixed asset inventory is done on an annual basis to be in compliance with NDCC 44-04-07 and to help safeguard fixed assets.
    - Agree, central finance notifies the Campus Department Inventory Coordinator of the annual inventory requirement by email in the fall of every year. The email includes a memo with step-by-step instructions. In addition:
      A separate email is sent to department heads notifying them of the inventory requirement. Reminder(s) are sent to Campus Department Inventory Coordinators and department heads who have not completed inventory by the deadline.
      A final notice is sent to the department head who has not completed the annual requirement. Central finance will work with the finance administration to review additional consequences for non-compliance.
    - **Status: Closed**
- Maintain a centrally located, official personnel file to ensure compliance with N.D.C.C and the University of North Dakota's faculty handbook.
    - Agree, the Office of the Provost continues to work with each College and their department personnel to ensure that faculty personnel files are properly maintained in perceptive content. On April 16, 2021, the Academic Affairs Coordinator in the Office of the Provost completed an annual faculty evaluation internal audit for AY 2019-2020. The Office of the Provost will continue to complete this internal audit annually, and will include a provision to check for contracts in addition to annual evaluations. The Office of the Provost will follow up directly with the Departments that did not have the required documentation scanned into perceptive content and ensure that the documents are scanned in and that policy is followed going forward. The Office of the Provost will continue to emphasize NDCC, SBHE and UND policy regarding the maintenance of faculty personnel files to deans and department heads.
    - **Status: Closed**
- Construction Management At-Risk selection process to ensure compliance with the N.D.C.C.
    - Agree, Procurement Services and Facilities Management will implement the following processes in FY22 are as follows:
      Posting solicitations in local newspapers and the Builders Exchange.
      Ensuring evaluators are licensed in the state of N.D. for contractor and engineer evaluation requirements.
      Including the evaluation sheet with the CMAR solicitation.
      Capping evaluation worksheet criteria not to allow percentages higher than 20%.
      Revising the CMAR template to include committee member names.
    - **Status: Closed**

# Attachment 9

# University of North Dakota (excludes SMHS)

## Comparison of 2021-23 Base Budget to 2023-25 SBHE Request and Executive Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| **General Fund** | | | | | | |
| Base Appropriation | $ 150,927,126 | | $ 150,927,126 | $ 150,927,126 | $ - | $ - |
| Costs to Continue Salaries | | $ 720,276 | $ 720,276 | $ 720,276 | $ 720,276 | $ - |
| Funding Formula base adjustment | | $ (1,616,332) | $ (1,616,332) | $ (1,616,332) | $ (1,616,332) | $ - |
| Student Mental Health Initiative | | $ 660,000 | $ 660,000 | $ - | $ - | $ (660,000) |
| Salary increase of 6%/4% | | | $ - | $ 7,399,304 | $ 7,399,304 | $ 7,399,304 |
| Health Insurance Increase | | | | $ 1,956,044 | $ 1,956,044 | $ 1,956,044 |
| **Total General Fund** | **$ 150,927,126** | **$ (236,056)** | **$ 150,691,070** | **$ 159,386,418** | **$ 8,459,292** | **$ 8,695,348** |
| | | | | | | |
| **Other Funds** | | | | | | |
| Base | $ 755,657,771 | | $ 755,657,771 | $ 755,657,771 | $ - | $ - |
| Costs to Continue Salaries | | $ 2,723,214 | $ 2,723,214 | $ 2,723,214 | $ 2,723,214 | $ - |
| Capital Bond Payments | | $ 4,500 | $ 4,500 | $ 4,500 | $ 4,500 | $ - |
| Salary increase of 6%/4% | | | $ - | $ 22,929,858 | $ 22,929,858 | $ 22,929,858 |
| Health Insurance Increase | | | $ - | $ 8,647,471 | $ 8,647,471 | $ 8,647,471 |
| **Total Special Funds** | **$ 755,657,771** | **$ 2,727,714** | **$ 758,385,485** | **$ 789,962,814** | **$ 34,305,043** | **$ 31,577,329** |
| | | | | | | |
| General Fund | $ 150,927,126 | $ (236,056) | $ 150,691,070 | $ 159,386,418 | $ 8,459,292 | $ 8,695,348 |
| Special Funds | $ 755,657,771 | $ 2,727,714 | $ 758,385,485 | $ 789,962,814 | $ 34,305,043 | $ 31,577,329 |
| **Total Funding Sources** | **$ 906,584,897** | **$ 2,491,658** | **$ 909,076,555** | **$ 949,349,232** | **$ 42,764,335** | **$ 40,272,677** |

# House Appropriations Committee Hearing

Wednesday, January 11, 2023

Andrew Armacost, President
Karla Mongeon-Stewart, VP Finance & Operations/COO
Faith Wahl, President, UND Student Government

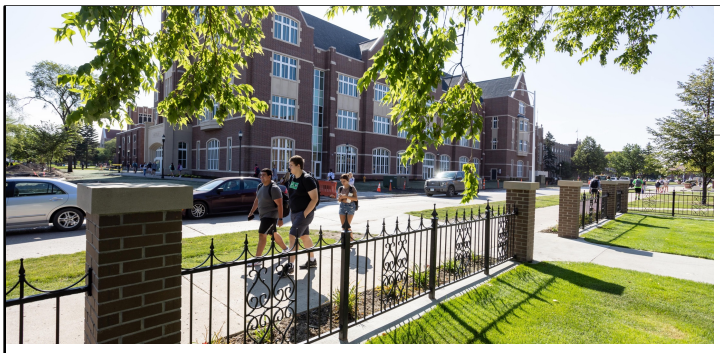
UND
UNIVERSITY OF NORTH DAKOTA

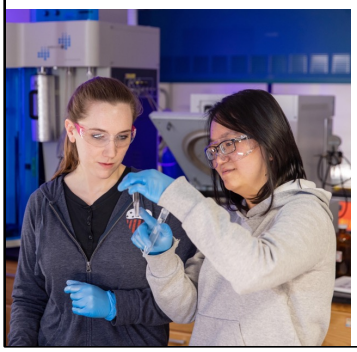
Our ***mission*** is to provide exceptional educational experiences that enrich the lives of North Dakotans and the global community through excellence in teaching, innovative research, and meaningful engagement.

Our ***vision*** is to inspire a sense of wonder, a love of discovery, and a commitment to serve.

Over the last eleven months, the campus has been involved in the development of our new strategic plan, called **UND LEADS**. We are adopting new mission and vision statements to guide the activities on the campus. These important statements emphasize our commitment to the state and the students who arrive on campus, either physically or virtually. Our ***mission*** is to provide exceptional educational experiences that enrich the lives of North Dakotans and the global community through excellence in teaching, innovative research, and meaningful engagement. And our ***vision*** is to inspire a sense of wonder, a love of discovery, and a commitment to serve.

Today, we will share how UND contributes in so many ways to the State of North Dakota and its citizens, and how we plan to do so for the next biennium and beyond.



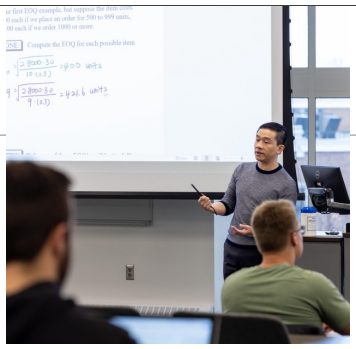


Sydney Menne
2023 Marshall Scholar

## Accomplishments

- National institutional recognition
- International student recognition
- Continued campus transformation
- Increased growth in student headcount
- 30% research expenditure growth plus two key DoD agreements

During the last biennium, the members of our campus have accomplished so much, and let me highlight a few notable achievements. National organizations, such as the American Council on Education, the International Town Gown Association, and the Western Interchange for Higher Education have bestowed their top honors on the university for its transformation and its commitment to the members of the campus and the Grand Forks community. Sydney Menne, a double major in mathematics and physics, earned a Marshall Scholarship for graduate studies in the UK. This is considered the pinnacle of academic achievement across the nation. We continue to follow our campus master plan to physically transform the campus, and we'll highlight later how we've done so using limited state appropriations. In spite of national trends of declining enrollment, we've seen an uptick in each of the last four years in the number of students we serve. And our trajectory in funded research has been strong, with extraordinary and sustained growth in research expenditures, growth that has been sustained in FY22.



## Challenges

- Inflationary impact
- Recruitment and retention of staff and faculty
- Climbing interest rates
- National enrollment decline and increase in competition
- Indigenous repatriation and holistic support to tribal needs
- Behavioral health needs for students, faculty and staff

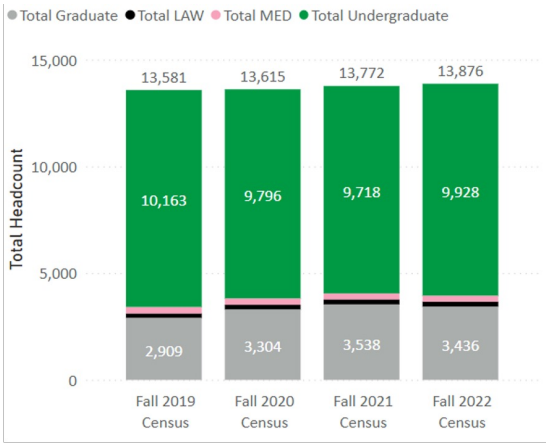
These are great examples of what's been happening on campus, but we are also facing a number of challenges. The historic rates of inflation have impacted both the cost to operate a college as well as a student's ability to pay for college. Attracting faculty and staff is strongly connected to what we pay them. When we combine pay scales that lag behind national and regional averages with the impact of inflation, we face daunting challenges in recruiting and retaining the talented members on our campuses. Cost of capital makes projects more expensive. The national decline in birthrate in 2008 will begin impacting campuses across the country in 2026, and we will not be immune from this, given the competitiveness of college admissions. A major area of commitment is to tribal nations across the region as we repatriate Indigenous ancestors from the campus to their tribal homes. Finally, the personal well-being of our campus members is an imperative, and the resources we have on the campus are insufficient to handle the growing demand.

## 2023-25 Goals and Plans

- Promote excellence in academic and co-curricular programs that prepare UND students for the workforce and for leadership
- Support the state in addressing shortages in key workforce areas
- Continue to expand university research to foster the sense of discovery and to support economic growth and diversification
- Grow partnerships across the state and region
- Strengthen our sense of community and well-being
- Continue consolidation and modernization of physical plant

As we head into the next biennium, we have a number of goals, including continuing to focus on the excellence in our programs and experience; helping the state with workforce challenges; nurturing the sense of innovation, discovery, and economic impact through our research programs; to continue developing key partnerships; to look out for all members of our community; and to continue our steady march toward a right-sized and modernized campus. The details we present today support these goals.

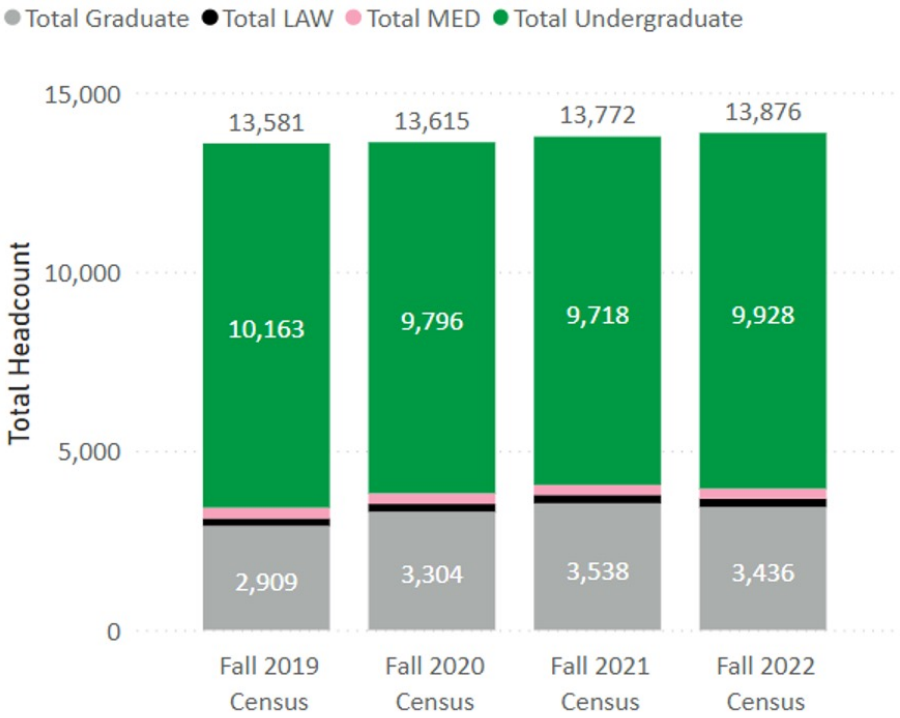
# UND Enrollment Trends




| Category | Fall 2019 Census | Fall 2020 Census | Fall 2021 Census | Fall 2022 Census | Difference Between Fall 2021 and Fall 2022 | % Change Between Fall 2021 and Fall 2022 |
|---|---|---|---|---|---|---|
| Total Graduate | 2,909 | 3,304 | 3,538 | 3,436 | -102 | -2.88% |
| Total LAW | 206 | 219 | 235 | 229 | -6 | -2.55% |
| Total MED | 303 | 296 | 281 | 283 | 2 | 0.71% |
| Total Undergraduate | 10,163 | 9,796 | 9,718 | 9,928 | 210 | 2.16% |
| **Total** | **13,581** | **13,615** | **13,772** | **13,876** | **104** | **0.76%** |

I mentioned enrollment trends, and here is a snapshot of the last four years. You'll see an uptick each year, with notable growth in our graduate programs. This has bucked the national trend, where college enrollment, according to the National Student Clearinghouse Research Center, dipped by 7.4% over the last two years. Our Admissions team and our academic departments have been doing wonderful work telling the story of the university and the value of a UND education.

# UND Enrollment Trends

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UND does not and cannot operate in isolation, and partnerships are critical to both the university and to the system. We actively look for ways to partner with the other institutions in the system. We have a number of active and developing 2+2 programs, where a student starts with a two-year Associates degree and continues their bachelors degree at UND, either on campus or online. We host system-wide research partnerships in the areas of space and biomedical research, opening up extraordinary opportunities for our students to be involved in research and discovery. We are doing the same with our partners at the Tribal Colleges, whether in the form of 2+2 agreements or program agreements that allow alignment of academic programs and transfer of academic credits.

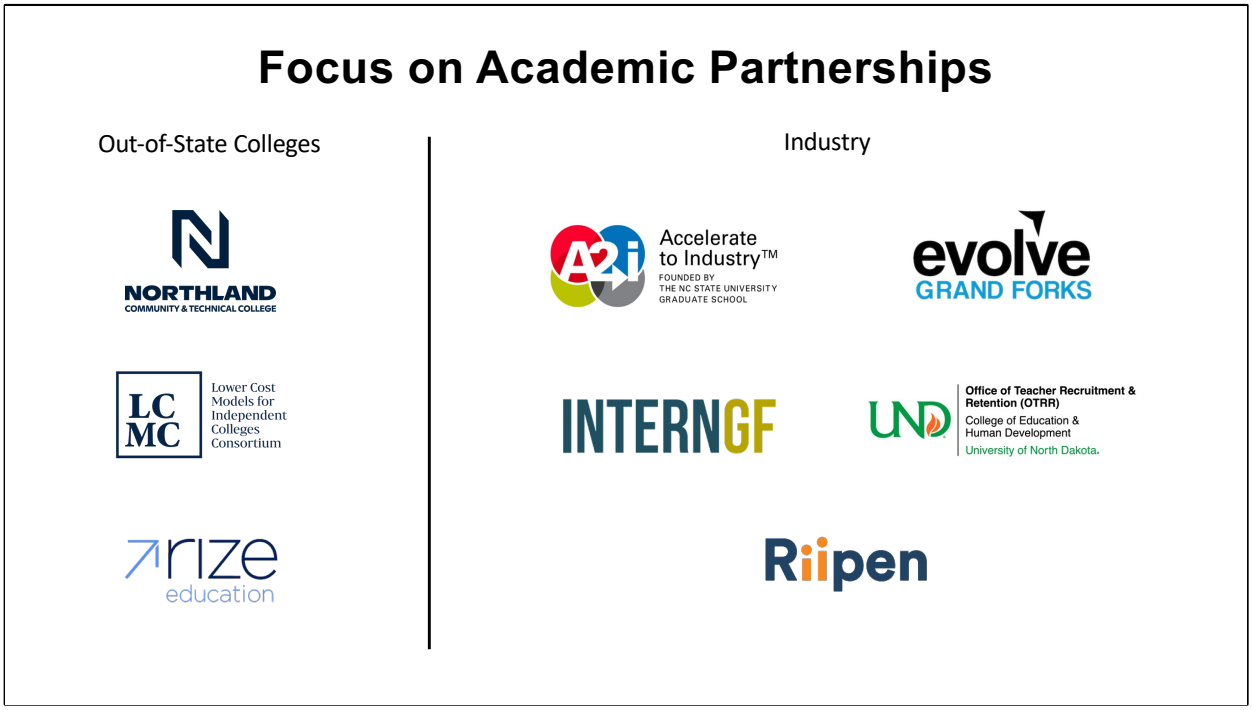
Of course, there is no partnership more important to us than that with NDSU. Whether in joint academic programs, research collaboration across many fields, or opportunities for faculty and staff growth, we continue to explore opportunities and create new frontiers in this essential partnership.

**Additional Notes on Collaboration Across NDUS**

- 832 UND undergraduate students with transfer information from NDUS institutions, Fall 2021, Source: University Analytics & Planning
- Through a unique partnership between UND and Lake Region State College (LRSC), students can prepare to transfer to UND while taking classes from both institutions and living on the UND campus
  - The LAUNCH! program prepares students who are not yet eligible for admission to UND — but meet admission requirements for LRSC — to seamlessly transition to UND after just one year
- Support NDUS institutional research programs
  - NASA Established Program to Stimulate Competitive Research (NASA EPSCoR)
  - North Dakota IDeA Networks of Biomedical Research Excellence (ND INBRE)

**Academic and Research Collaboration with Tribal Colleges**

- 2+2 Agreements: Cankdeska Cikana Community College
- Transfer Program Guides: UND has program guides for several institutions to aid in the transfer process
  - Mesabi Range College
  - Nueta Hidatsa Sahnish College
  - Sisseton Wahpeton College
  - Sitting Bull College
  - Turtle Mountain Community College
  - United Tribes Technical College




Outside the NDUS and tribal colleges, we continue to develop academic partnerships with universities across the region and nation. Of particular note is our support to a consortium of small, high-quality schools by offering our nationally-recognized online engineering degrees to students who are completing another degree at these colleges, often in disciplines like math and physics. For these students, this is typically their initial exposure to the state of North Dakota and what it has to offer.

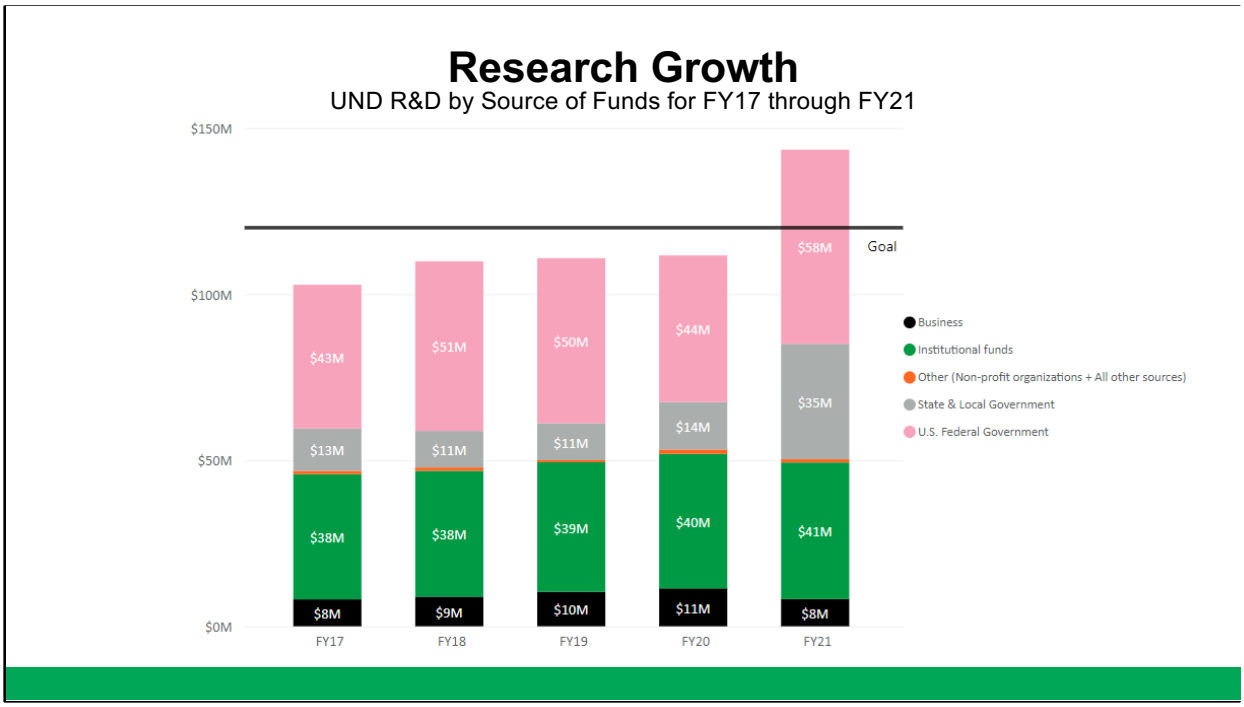
Finally, I highlight a number of organizations with whom we've partnered to offer opportunities for internships, academic projects, and job placement. These types of partnership directly impact the experiences of our students.

**Additional notes on Collaboration with Out-of-State Colleges**

- 2+2 Agreements: Northland Community College
- Dual-degree programs with out-of-state colleges
    - Rize Education, the LCMC, and Engineering: Agreement with 66 independent, liberal arts colleges across the nation to provide access to online UND engineering degrees

**Collaboration with Industry for Internships and Workforce Development**

- Accelerate to Industry: Collaboration with industry to enhance student employment readiness and build employment pipelines
- Evolve Grand Forks is a nonprofit organization focusing on the support of entrepreneurship in the Greater Grand Forks community by connecting entrepreneurs to the mentors, resources, capital, and more that is available in Grand Forks
- InternGF is a partnership between the UND Center for Innovation and the Grand Forks Region Economic Development Corporation designed to introduce UND students to high-wage, in-demand careers and employers in the Grand Forks region
- The Office of Teacher Recruitment and Retention (OTRR) was created to address the loss of qualified and trained individuals from the teaching profession, a trend that is seen not just in North Dakota but nationwide
- Riipen: Virtual project-based learning platform empowering every student with employable skills
- Research relationships with federal, state, and industry partners



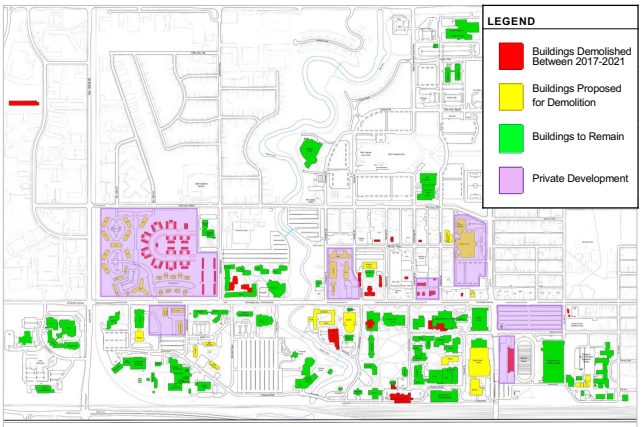

There's no greater opportunity for partnership than in our research programs. Research is critical to the creation of new knowledge and to develop opportunities that offer economic benefit to the state of North Dakota.

We are proud of our expanding research partnerships with federal agencies, state agencies, and industry. Our research expenditures grew year-over-year from $111M to $143M. This includes a 30% increase in federal research expenditures. Our FY22 expenditures will continue at the previous year's level. Central to this growth in funded research has been the identification of six Grand Challenges that focus on the areas of human health, rural health, energy, computational and data science, autonomy, and national security & space. We encourage the state to consider greater investment in university research, development, and innovation.

# Research Growth

UND R&D by Source of Funds for FY17 through FY21

# Changes to Physical Plant




UND Master Plan: Development, Renovation and Demolition Planning Map

## 2019 – Present Progress

| | |
|---|---|
| **State funds:** | $26M |
| **ARPA funds:** | $55M |
| **Donor funds:** | $57M |
| **Local funds:** | $285M |

Steam Plant construction
Memorial Union construction
Chester Fritz Library renovation
Nistler College construction
Brannon Hall renovation (residence)
McVey & West construction (residence)
O'Kelly Hall renovation
Memorial Village construction
Pollard Center addition
Airport apron project
Merrifield/Twamley Hall renovation

The physical transformation of the campus modernizes our educational programs and enhances the quality of student life. Our campus master plan describes steps to achieve three goals: (1) right-sizing the campus with a reduction in physical space of 2 million square feet, (2) reducing deferred maintenance by $550M, and (3) consolidating academic activities to the historic quad. The map demonstrates this transformation by showing red buildings that have been removed, yellow buildings that will be removed, green buildings that will remain, and purple regions that represent spaces for possible private development.

In the last 3-4 years, a number of projects have enabled this transformation, but we aren't done yet. It is important to include this slide to show how the combination of funding sources can enable such a transformation. Among projects totaling more than $400M in construction costs, state appropriations accounted for $26M in state dollars, primarily for the Nistler College, and $55M in federal ARPA dollars. Remaining funds came from donors, bonds, and student body decisions to cover most of the cost of the new Memorial Union via student fees.

We have truly tried to leverage state funding with other funds, and we will continue our efforts to be good stewards of state funding by promoting match opportunities with our donor community.

## 2021-23 One-Time Funding

**Space and national security research & education** **$14M**

- Construction of satellite design and test facilities
- Construction of satellite operations and control facility
- Construction of UND's nanofoundry, a production & test facility for nano-materials

**FEDERAL FUNDING**

**Merrifield/Twamley renovation: work begins Feb 2023** **$50M**

Recommend use of remaining federal ARPA funding for inflationary adjustments to projects approved in special session

**Flight apron repair** **$5M**

Before we move to the details of our proposed initiatives, let me provide a short summary of the status of prior one-time funding. We truly appreciate the support from the legislature to catalyze our work in space and national security. Between the regular and special session, you have enabled the creation of an infrastructure that will dramatically alter our academic and research opportunities. This support has been noticed by the federal government and has yielded two key partnerships with the Space Force and Grand Forks Air Force Base. UND and our growing capabilities were critical to the attraction of the new Space Development Agency's primary operating center to Grand Forks AFB, as well as the Test Resources Management Center and coming to Grand Forks. We have included in the attachments the specifics of how the state appropriations have been used.

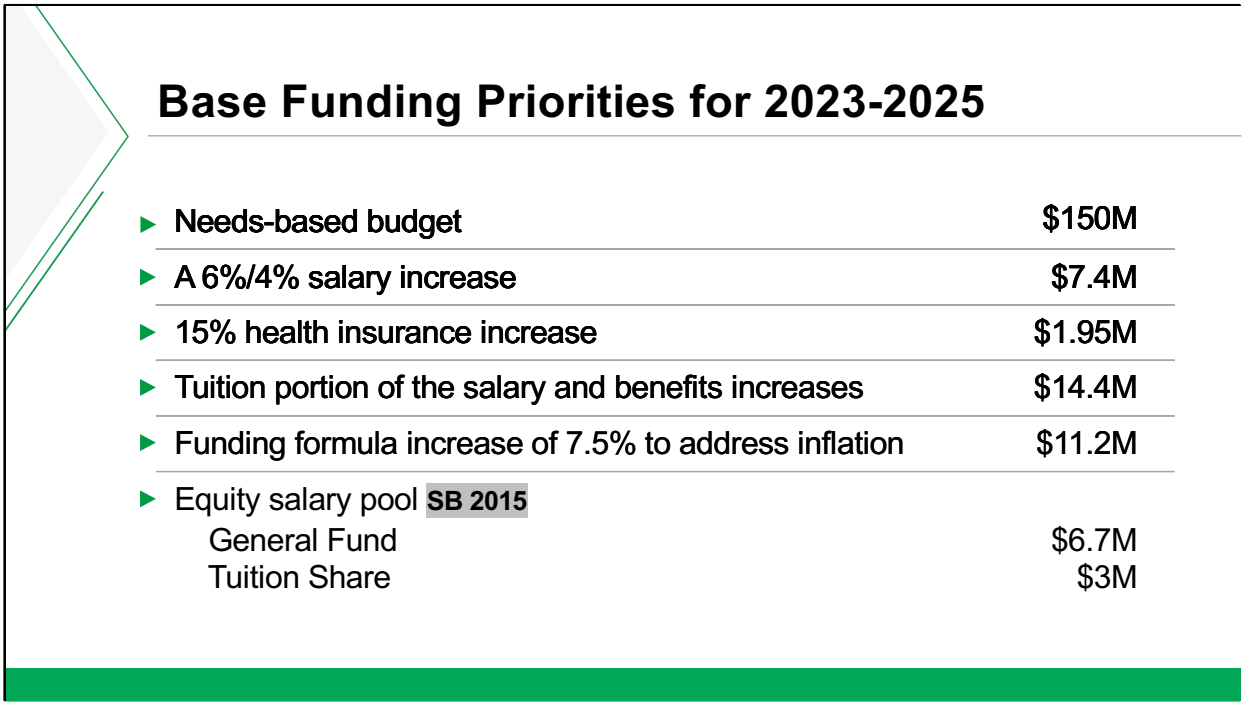
The state's allocation of federal ARPA funding during the special session has enabled two projects: a renovation project for Merrifield and Twamley Halls and the repair of the flight apron for UND's aviation program. We also encourage the use of remaining ARPA funds for adjustments to ARPA-funded projects to help cover the dramatic increases in costs so that the originally approved projects may be completed.

Let me know turn the podium to Vice President Stewart. She will build upon comments made by the Chancellor and his staff last week about the impact of unfunded portions of benefits increases and the impact of inflation. I'll then return to talk about additional initiatives for which we are asking for support.

# 2023-25
# Appropriations Request

Karla Mongeon-Stewart, VP Finance & Operations/COO

UND
UNIVERSITY OF NORTH DAKOTA

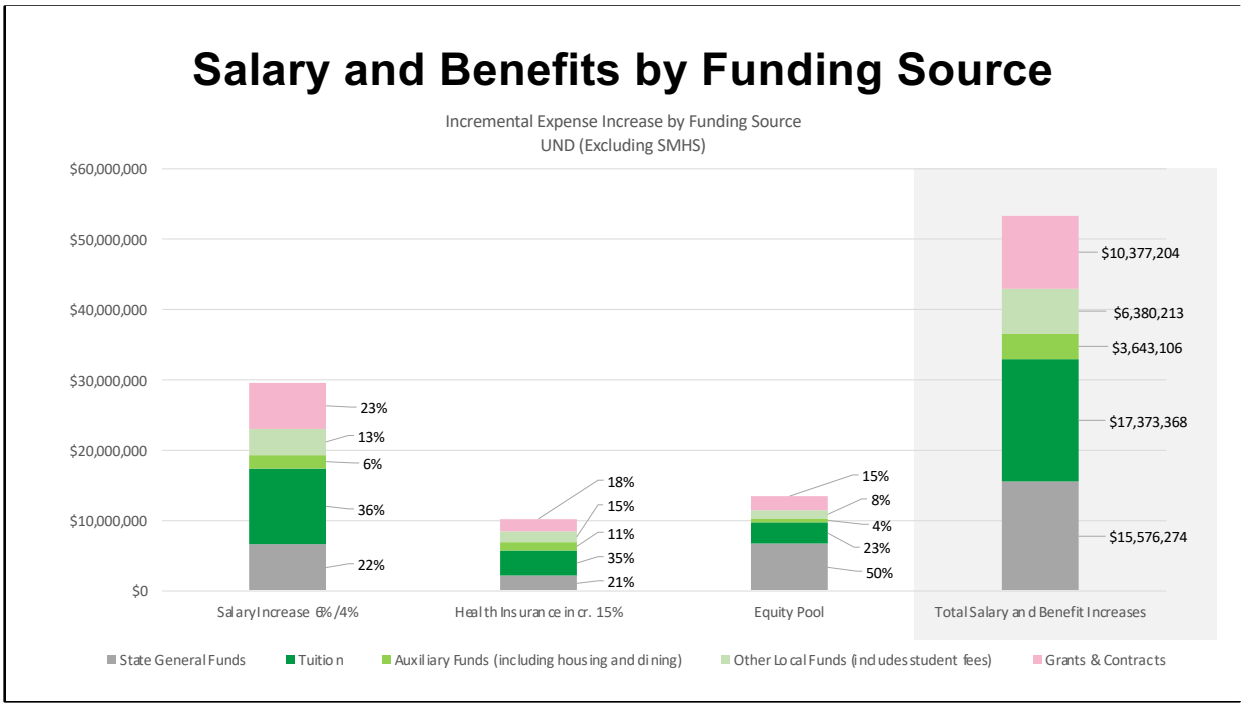



**Base Funding Priorities by Line Item**

1. Needs-based budget request represents a small decrease in formula funding ($1,616,332) as a result of a reduction in credit hours of approximately 1%.
2. Support of the Governor's Executive recommendation of a 6% and 4% salary increase over the biennium.

- **Salary and Benefits:** We are increasingly seeing staff shortages and a lack of qualified applicants for open positions. The proposed salary and benefit funding increase will help us address some of these issues.
  - UND wants to ensure that our employees and their families are compensated at levels to help them address the unprecedented inflation for goods and services
  - Consumer inflation has minimized the impact of the historical salary increases over the past several years
  - UND is experiencing a decrease in qualified applicants for open positions and often must readvertise positions multiple times
  - With the influx of the availability for online work, employees are able to expand their job searches nationally
  - Salaries are not competitive with the national market and there is market pressures both from the private sector as well as other states
  - South Dakota provided a 6% increase in wages for their state university employees and froze tuition
  - UND is seeing vacancies at a critical level in some areas which has forced us to decrease service levels in some areas
  - Market reviews and adjustments are needed at all levels

3. Support for the general fund portion of the 15% health insurance increase.
4. Consider funding the tuition portion of the salary and benefits increase proposed. This funding would allow the institution to minimize tuition and fee increases to our students and their families who also have been dealing with the repercussions of this unprecedented inflation.
5. Base increase to the funding formula of 7.5% (exclusive of any salary and benefit increase requested in the lines above).
   - This increase would give UND the ability to better address some significant inflationary operational expense increases. I will describe these in more details in a few minutes.
6. Support for the governor's equity pool. The funding for this pool is currently contained in SB 2015, but we have been notified by OMB and the NDUS that our share of that request is $6.7M.
   - An equity pool is critical to addressing our recruitment and retention challenges as many of our positions are not currently in alignment with the market. If an equity pool is provided, base salaries can be adjusted to better align with the market surveys and address internal equity issues within UND prior to the allocation of salary increases.
   - The proposal by the governor assumes that 50% of the equity pool would come from general fund dollars. The remaining 50% is funded through other local funds, of which $3M is tuition.
   - If the legislature is able to provide funding for the tuition portion of the salary and benefits increase; we would like consideration for funding the student share of this pool as well.



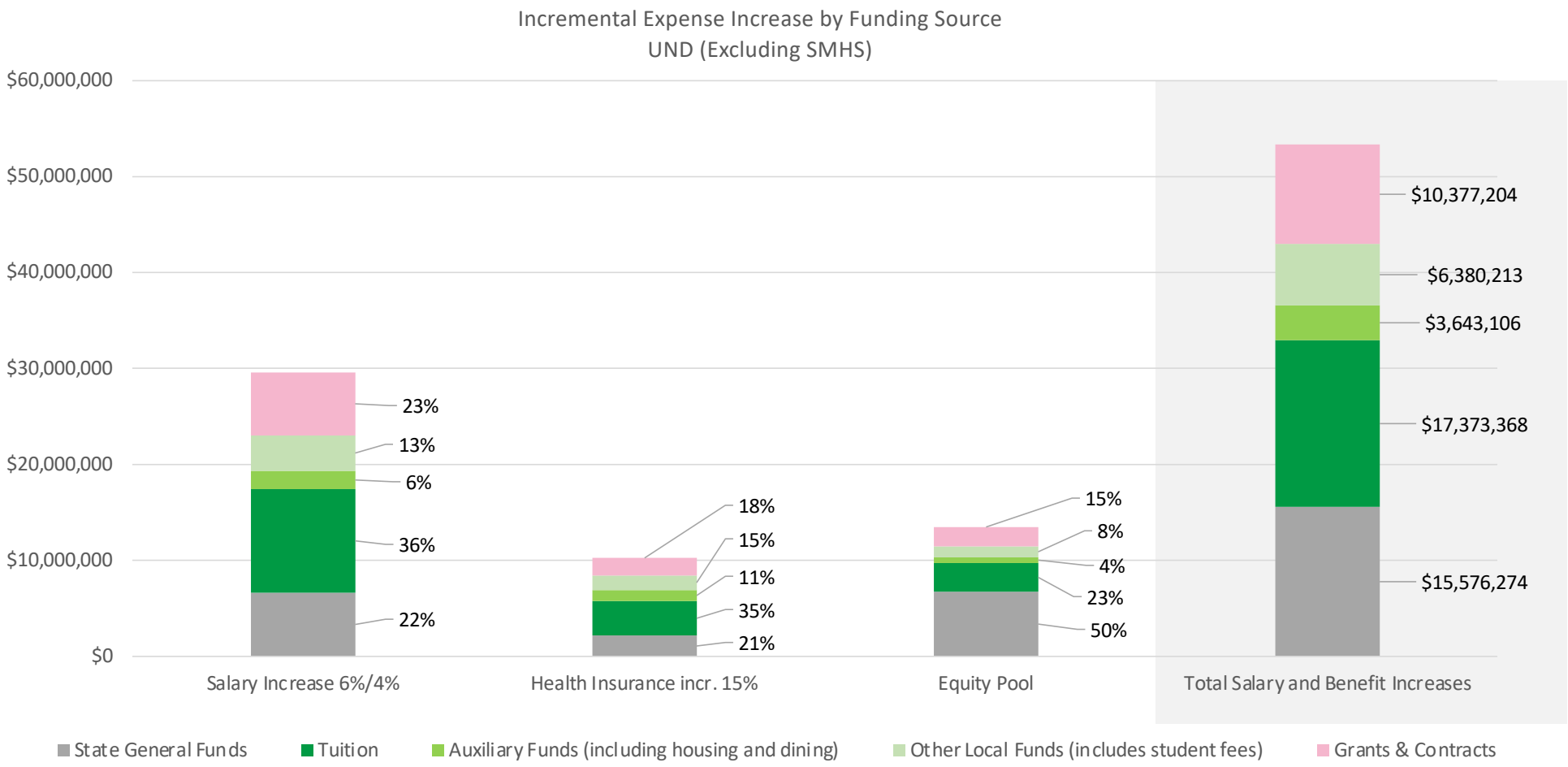

This graph illustrates the multiple funding sources that UND relies on for its operations, or in this case for salaries and benefits.

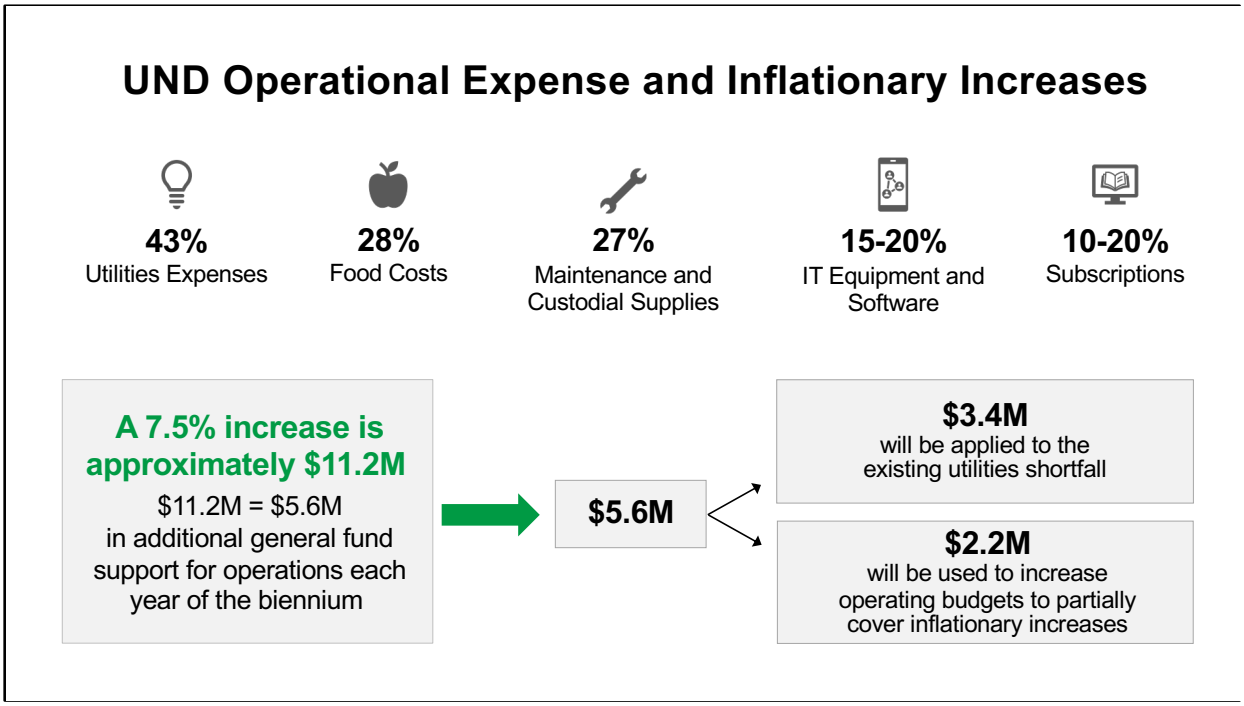
- The first level of funding is the state general fund.
    - Salary and benefit increases including health insurance covered by the general fund equals $8.8M broken out as you can see.
    - The proposed equity pool would add an additional $6.7M in general funding for a total increase in GF of $15.6M.

- The second funding sources (in various shades of green) rely on revenues the institution generates primarily from students in the form of tuition, student fees and fee for services such as room and board, etc.
    - The largest portion (dark green) of this is the tuition share which provides $17.4M of the funding. This ties back to the base funding request of $14.4M for salary and benefits increases with an additional $3M for the equity pool.
    - Auxiliary funds (lime green) represent the next funding source for these salary and benefit increases. The primary source of funding of this $3.6M comes from housing, dining, parking  and athletics ticket revenues.
    - The final other funding source (light green) is other local funds at $6.4M. These funds represent revenues from student mandatory and nonmandatory fees including flight fees. There are also other funding sources included in this group which include departments that chargeback for services, gifts, etc. They manage their rates accordingly to fund operations as needed.

- The final funding source represented in pink is Grants and Contracts Revenues. This section represents EERC operations as well as all other grant-funded programs across the university. These increases are absorbed by the grants and are generally allowed for in the budgets of most federal, state and private grants.
    - The total grants and contract funding needed to cover their share of these increases is $10.4M. These increases do not have a direct impact on students, but inflation does impact grant outcomes in the same ways as the university.

# Salary and Benefits by Funding Source






UND is dealing with significant challenges related to the unprecedented inflationary environment in addition to the salary and market challenges I have already described.

**Utilities**

A new power plant, made possible through a public private partnership with JCI and UND was completed in October of 2019. No GF funds were used in the construction of this project. The university has been able to generate enough operational savings to cover the annual debt service of the new plant. In addition, 2 years ago, UND hedged its natural gas prices for 10 years so have been able to minimize the inflationary impact on natural gas prices which increased over 52% in the last year.

However, our utilities costs have continued to rise. The three primary reason for these increases are:

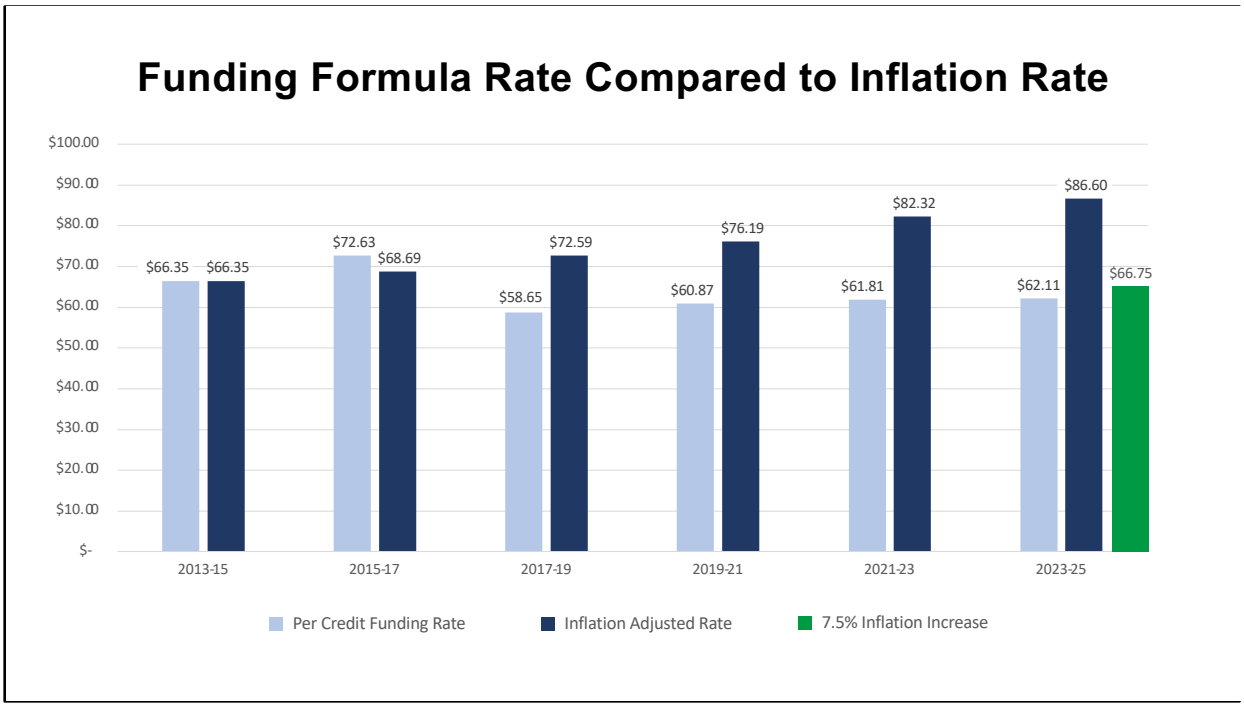
1. Colder than average temperatures
2. Increases electricity costs (increase have been between 11% and 18% over the past year)
3. A significant number of curtailments (UND was curtailed 24 days in FY22)
    - Curtailments are when our natural gas utility provider does not have sufficient capacity for all of its customers so it has UND get off of the "natural gas grid" until sufficient availability returns to the system
    - Natural gas curtailments have caused significant increases in our operating expenses for several reasons
    - When the institution is curtailed, the power plant converts from natural gas to fuel oil
    - The operating cost of transitioning from natural gas to fuel oil are significant and occur each time a curtailment is issued
    - The natural gas price per hour is approximately $477 whereas the fuel oil cost per hour is $4,572 or an 858% increase in raw commodity price per hour exclusive of additional operating costs

As a result, UND suffered a utilities operational deficit of approximately $2M in FY22. In addition, rate increases in FY23 are expected to increase utility costs by an additional $1.4M for a total budget shortfall of $3.4M per year.

**Other Operating Expenses**

- Dining services has experienced a 28% increase in food cost and a total increase of $1.2M in cost of goods sold
- Academic units are seeing significant increases in instructional supplies, IT equipment and software and the library is seeing a 10%-20% increase in online subscription every year
- Maintenance and custodial supplies have increased 27% which not only impact facilities, but also auxiliary units

If an inflationary increase of 7.5% were able to be funded, UND would utilize the $5.6M per year first to offset the utilities shortfall. The remaining $2.2M would help address the inflationary impacts on other items such as custodial and maintenance supplies, academic supplies, IT supplies and equipment and library subscription increases.



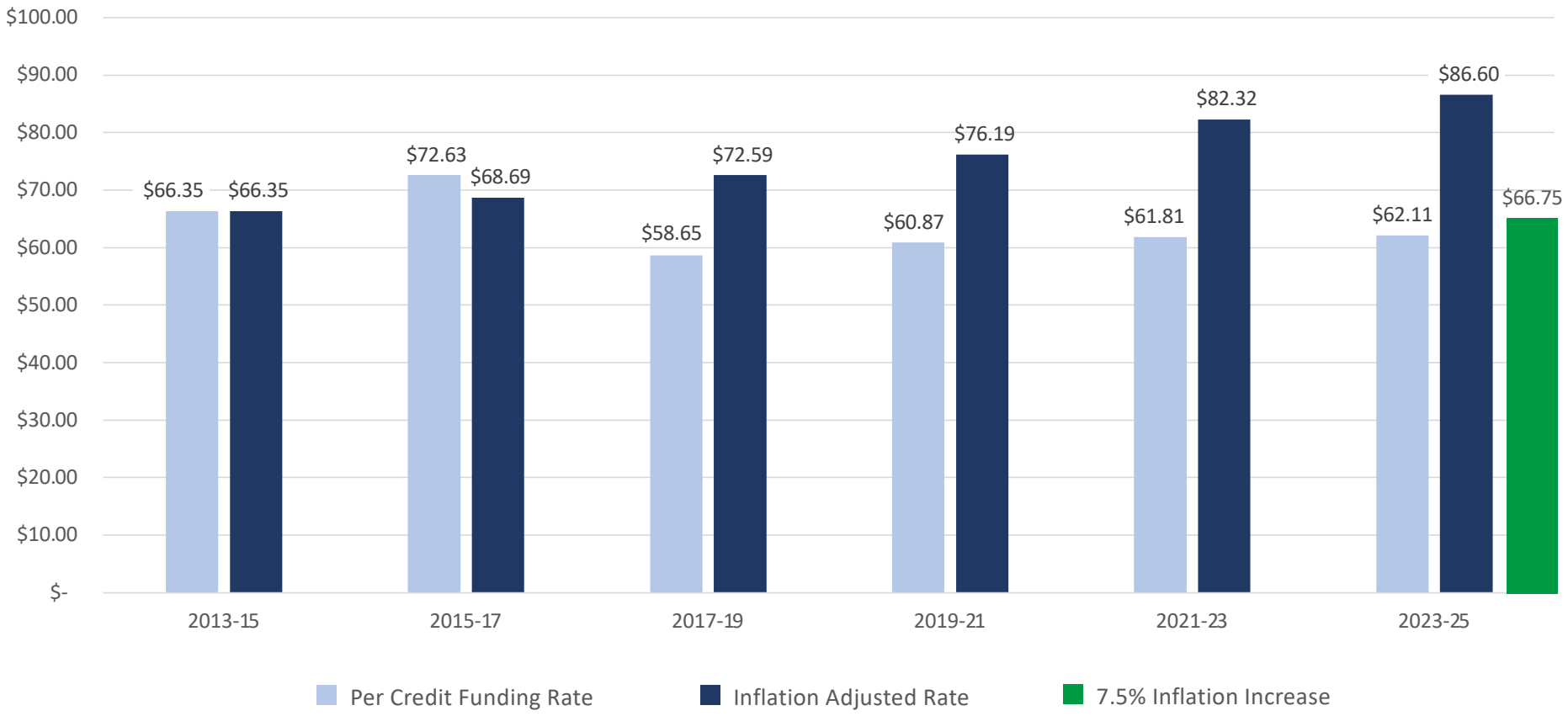

**Inflation Impact on the Funding Formula**

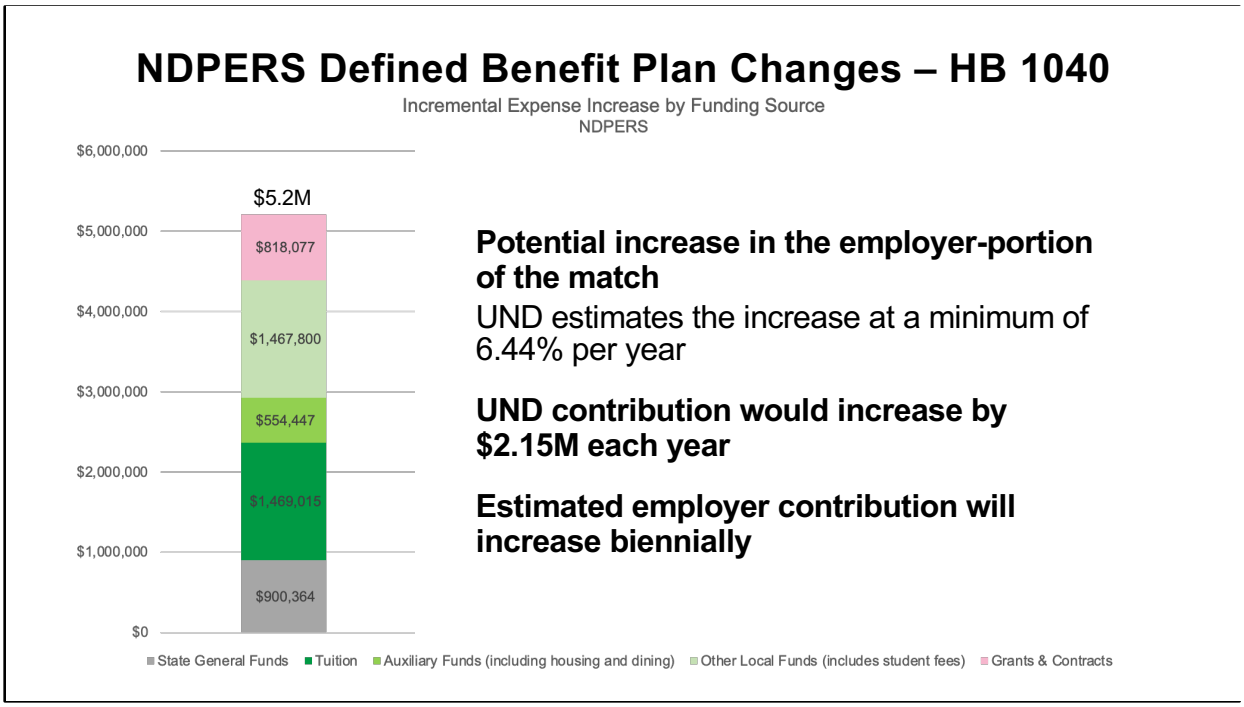
- The table displayed shows the Higher Education Funding Formula rates for research institutions (UND and NDSU) since the formula's inception during the 2013-15 biennium in light blue
- The dark blue bar to the right is the inflation adjusted rate based on the Higher Education Price Index which has been included in the appendix of your handout
- For many reasons, including the financial downturn in the state during 2017-2019, the formula funding rate has not kept pace with inflation
- When comparing the original rate of $66.35 to the current rate of $61.81, the funding formula rate has decreased 6.8% in real dollars over the past ten years or 31% in inflation-adjusted buying power

**The Request**

- The NDUS/UND is requesting an inflationary increase to the funding formula of 7.5% (exclusive of any salary and fringe increases described in the previous slides) to address the unprecedented inflation of operating expenses
- This increase would take steps for UND to be able to address significant operational issues as a result of this inflation

# Funding Formula Rate Compared to Inflation Rate






**The committee requested that we identify any other bills that may have an impact on UND.**

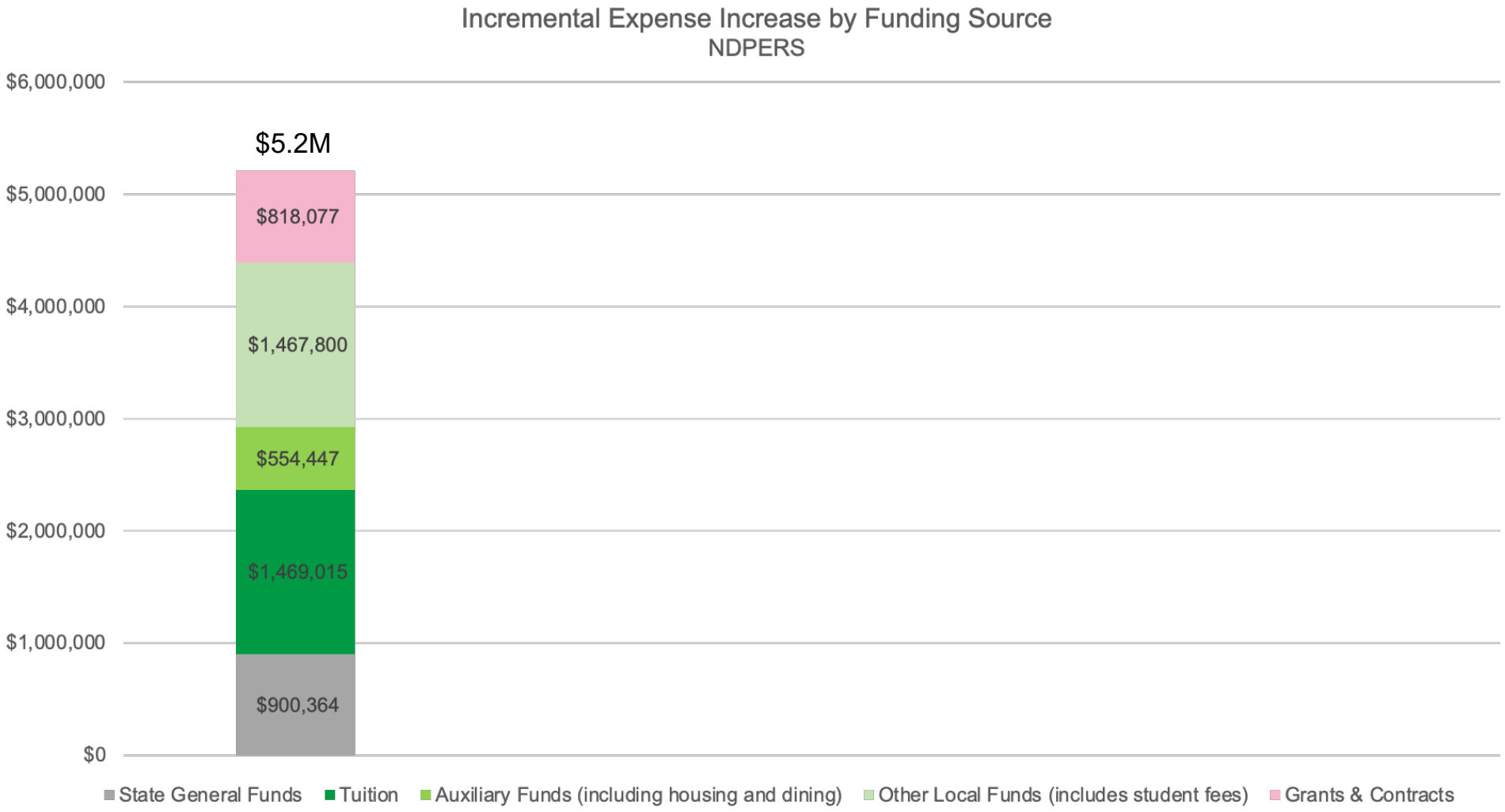
HB1040 proposes closure of the defined benefit plan for NDPERS employees. A portion of UND employees participate in this plan. Similar to salaries and benefits, many of the employees that participate in this plan are paid from sources other than the general fund:

Based on our understanding of this bill as currently written there could be a significant financial impact to the campus.

- As the graph shows, based on preliminary estimates, the state general fund would cover $900k of the increase, while other funding sources such as tuition, room and board rates and other student fees as well as grants and contracts funding will be responsible for funding the remaining majority of the increase.

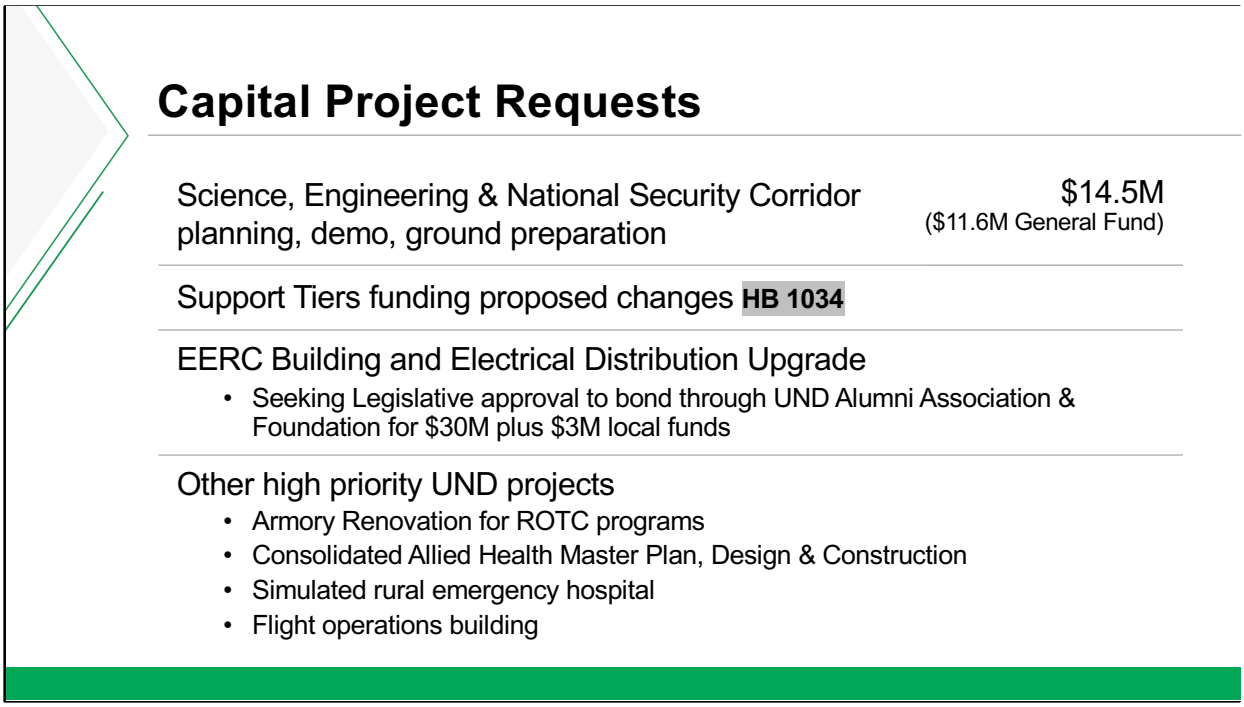
We wanted to make sure this committee is aware of the potential impact to the operating budget of UND and all institutions of higher education due to our multiple funding sources.

With that, I will stand for any questions before I hand it back to President Armacost.


Incremental Expense Increase by Funding Source
NDPERS
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
$5.2M
$818,077
$1,467,800
$554,447
$1,469,015
$900,364
State General Funds
Tuition
Auxiliary Funds (including housing and dining)
Other Local Funds (includes student fees)
Grants & Contracts

# Additional Requests and Bills of Interest

Andy Armacost, President




Let me begin with capital projects. Our number one priority, which is included on the NDUS list, is the first phase of work on a Science, Engineering, and National Security facilities project. The engineering programs at both UND and NDSU play an important workforce development role across our state, and modernizing our facilities is an imperative.

This project will include detailed design work that explores a combination of renovation and new construction to modernize our STEM educational and research facilities. This funding also covers the demolition of the aging Hyslop Sports Center and the preparation of that land as the site for future science and engineering facilities. This detailed design work will yield a shovel-ready project for the next biennium, when we would propose a state-donor match to make the building project a reality.

Turning now to the Tiers funding, we strongly support the recommendation of the Interim Higher Education Committee to modify the match requirement and to increase the funding available for extraordinary repairs.

At last week's NDUS briefing to the full committee, the EERC and its bonding proposal were discussed. The EERC generates its operating revenue through grants and contracts. It has a state appropriation to serve as the State Energy Research Center, currently at $5M across the biennium. All other expenses are covered through grants and contracts.

The legislative request will authorize the UND Foundation to purchase revenue bonds, which will be repaid by EERC revenue. There is no state appropriation required for this transaction. The bond payments will be made from local funds generated from our F&A income from EERC grants and contracts. The additional $3M in local funds will also comes from F&A generation from EERC grants and contracts. I bring it up today to clarify key points and to have you ask any follow-up questions. The EERC is a unit of UND. Its head, Charlie Gorecki, serves on my executive team, and he's with us today.

Finally, to give you a sense of the other projects on our priority list, you see them listed here. All are tied to educational experiences and workforce development.

- Armory Renovation for ROTC programs: $8.9M
- Consolidated Allied Health Master Plan, Design & Initial Construction: $9M
- Simulated rural emergency hospital: $6M
- Flight operations building: $35M (donor + match)

## NDUS Initiatives for 2023-25

UND supports the following NDUS initiatives:

- Behavioral Health Initiative ($660,000 for UND)
- Workforce Education Innovation Grant program ($3M for UND)
- Education Scholarships for Energy Workforce
- Veteran Education Training program
- Interim Higher Education Committee bills
- Nursing Education Consortium
- Restoration of minimum amount payable

In the NDUS testimony, a number of initiatives were presented. Here, we amplify support the student behavioral health initiative, which will allow us to expand services to students. The Workforce Education Innovation Grant program provides great opportunities across the system, and our appendix includes the UND list programs that could benefit, such as nursing, education, engineering, cybersecurity, quantum computing, and others.

We offer our support of other NDUS initiatives that support workforce, veterans, and nursing.

In addition, we offer our strong support to the interim committee proposals as well as the restoration of the minimum amount payable, which reduces immediate downside risk to fluctuations in enrollments.

## Additional UND Requests for 2023-25

- Research and Economic Development through Legacy Fund earnings
- High Performance Computing (joint with NDSU) – $3.2M for UND
- IT network redundancy installation, Phase I – $4M
- Support Challenge Grant expansion **HB 1033**
- Removal of 2027 sunset clause for State Energy Research Center **SB 2161**
- Enhance Career Builders to address teacher and nursing shortages
- Support growth in North Dakota Indian Scholarship program
- Support NDUS Indigenous ancestor repatriation activity

Turning to UND-specific interest items, we believe it is important to continue the work to support university Research and Development using Legacy Fund earnings. In addition, we have two high-interest IT infrastructure items. Descriptions are included in the appendix, but we face a challenge where, in spite of our outlays for routine maintenance and upgrades, there are large IT infrastructure projects that are necessary but require additional support. The Challenge Grant program has catalyzed significant donor investment in scholarships and faculty support, in fact, bringing significant out-of-state donor funding to the state and the university. We strongly urge the continuation of this program, and the donor opportunities support funding levels even higher than the $24M approved by the interim committee. Attracting students for key workforce areas like nursing and teaching should be considered through expanding opportunities in the Career Builders program to offer incentives that would help to alleviate shortages in these areas. Such a program should span the entire system.

Finally, much public attention has been paid to our efforts on the repatriation of Indigenous ancestors and returning them from UND to their tribal homelands. The broad discussion about repatriation has heighted the broader challenges these communities face, and we support the Governor's proposal to expand the state's Indian Scholarship program. Additionally, I must note the financial impact of repatriation on both UND and the entire university system will be significant.

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**UND.edu/legislative**

# Barry D. Batcheller

3636 Grandwood Drive North
Fargo, North Dakota 58102


10 January 2023

Members of the Committee
House Appropriations
Education and Environment Division Public Hearing

RE: House Bill 1003 NDSU Engineering Building

Members,

In 1999, Phoenix International Corporation, a company that I founded in 1987, built the first private sector commercial building in the North Dakota State University Research and Technology Park. Shortly thereafter, the company was purchased by John Deere, and I was appointed Deere's Director of Technology Growth, a position I held until I retired from the company in 2005. Over the past 20 years, Deere has continued to grow and expand its technology presence in the state from this base in the NDSU RTP.

In 2009, I built the second private sector commercial building in the NDSU RTP to accommodate the growth of Appareo Systems, a company I founded after retirement from Deere. Then, in 2014, I purchased the commercial building in the research park previously owned by Alien Technologies. In 2020, Appareo was purchased by AGCO corporation, another world leader in the design and production of advanced agricultural equipment. During the year since the acquisition, AGCO has hired dozens of new employees and has intentions to continue to grow and expand in North Dakota.

Two of the world's largest and most advanced producers of agricultural equipment have now established technology centers in proximity to North Dakota State University, and have expressed interest in expanding these capabilities. We are creating a nexus in North Dakota for high technology development of advanced agricultural equipment. The opportunity this presents for the state cannot be overstated. What is needed to support the aspirations these and other organizations who could be drawn to the state by the presences of these titans is well educated, hardworking STEM graduates.

I have had the good fortune during the course of my career to interact on a professional level with world-class technical leaders in production agriculture, and by so doing obtain an appreciation for their expectations as regards of the capabilities of their technology partners. The knowledge I have gained during the creation and expansion of businesses in North Dakota, and the experiences gained through interactions with Fortune 500 companies, have impressed upon me the importance of establishing and expanding appreciable science and technology capabilities within the state. North Dakota is competing with substantial research universities like the University of Michigan at Ann Arbor, Georgia Tech and the University of Illinois at Champaign. We cannot compete on this stage with outdated equipment and facilities. We need to step up and make the requisite investments.

On behalf of the technology-based companies in North Dakota I ask that you consider favorably the request by NDSU to update their capabilities to attract both new students and substantial private sector businesses to the state by building a new engineering center. The future return to the state will be substantial.

Respectfully,

Barry Batcheller

## UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE & HEALTH SCIENCES

# HEALTH EDUCATION AND HEALTHCARE IN NORTH DAKOTA

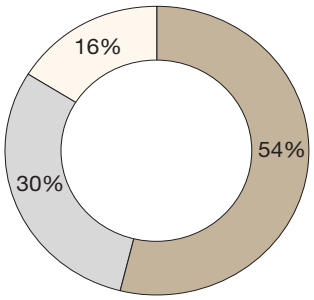
Late in 2022, the UND School of Medicine & Health Sciences (SMHS) released its annual report *Vital Signs* and the *Seventh Biennial Report on Health Issues for the State of North Dakota*. The two publications not only give North Dakotans an assessment of the current state of their overall health and that of their healthcare delivery system, but the healthcare workforce education ongoing at the SMHS.

As the key charts and data points below from the two documents suggest, the SMHS is serious about keeping its promise of maintaining its mission of education, discovery, and service to the people of North Dakota.

## Our 2021–23 biennial budget is $220,300,000

The majority of funds comes from non-state sources such as grants, contracts, patient revenue, and tuition. Notice that for every $1 appropriated to the School by the Legislature, the School generates about $2 in grants, contracts, tuition, and clinical revenues.

**Estimated Expeditures**
**$217,300,000**

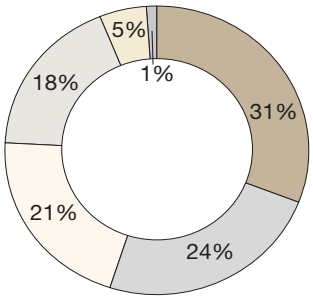



**54%** SALARIES $116,500,000

**30%** OPERATING AND EQUIPMENT $65,000,000

**16%** FRINGE BENEFITS $35,800,000

**Estimated Revenue**
**$220,300,000**




**31%** STATE $68,100,000

**24%** GRANTS AND CONTRACTS $52,700,000

**21%** LOCAL AND CLINICAL $46,400,000

**18%** TUITION $40,900,000

**5%** MILL LEVY $10,600,000

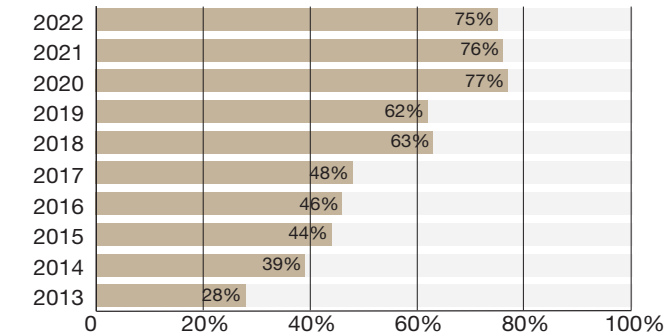
**1%** GIFTS AND ALUMNI $1,600,000

### EDUCATE

Having graduated more than 300 health providers in 2022, the SMHS claims more than 1,000 current health professions students, nearly 300 of whom are medical students. As the chart shows, since 2013, our School has moved from the lower percentile to one of the top percentiles among American medical schools retaining their graduates for in-state practice.

**Retention of UND SMHS Medical Student Graduates for practice in-state**

Percentile rank (compared with other medical schools)




Source: Missions Management Tool, 2022 AAMC

**Residency Training**

This year, 66 UND SMHS medical students successfully matched with residency programs. In total, 41 percent of the MD Class of 2022 matched into primary care specialties of family medicine, internal medicine, obstetrics & gynecology, and pediatrics.

**Residency or fellowship training is provided throughout North Dakota in 10 specialties:**

- Family Medicine (Bismarck, Fargo, Grand Forks, Hettinger, Minot, and Williston)
- Internal Medicine (Fargo)
- Neurology (Fargo)
- Orthopedic Surgery (Fargo)
- Psychiatry (Fargo)
- Surgery (Fargo, Grand Forks)
- Transitional (Fargo)
- Geriatrics (Fargo)
- Hospitalist (Bismarck)
- Hematology-Oncology (Fargo)

(A new Pediatrics Residency Program, based in Fargo and managed by UND, was approved in 2022.)

**Rural training programs:**

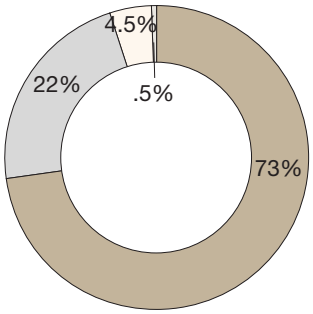
- Family Medicine in Bismarck (Fort Yates), Fargo (Valley City, Hillsboro, and Wahpeton, N.D., and Detroit Lakes and Perham, Minn.), Hettinger, Minot (Belcourt, Garrison), and Williston
- Rural Surgery Track (Minot, Hettinger, Rugby, Williston, and Fargo, N.D., and Perham, Minn.)
- Psychiatry (Rural Outreach to Dickinson, Williston, Devils Lake, Jamestown, Valley City, and New Town, plus Telemedicine)

## DISCOVER

Areas of research strength include: aging, cancer, health disparities in rural and American Indian communities, infectious disease, and neurodegenerative disorders. According to the SMHS Office of Research Affairs "Sponsored Projects Awards" report, the SMHS won a total of 104 research awards in fiscal year 2022 from external agencies like the National Institutes of Health, Centers for Disease Control & Prevention, National Science Foundation, and other universities and foundations totaling a record **$48,651,717**.

**FISCAL YEAR 2022 TOTAL FUNDING BY SPONSOR TYPE $48,651,717**

Total number of proposals 155
Total number of awards 104




**73%** FEDERAL $35,486,062

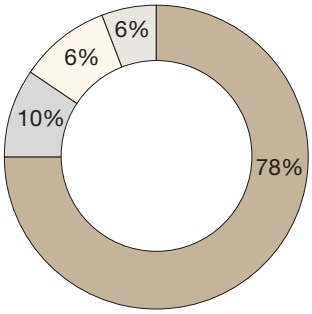
**22%** STATE $10,923,316

**4.5%** OTHER* $2,129,839

**.5%** FOUNDATION $112,500

**FISCAL YEAR 2021 TOTAL FUNDING BY SPONSOR TYPE $38,476,968**

Total number of proposals 207
Total number of awards 126




**78%** FEDERAL $29,921,538

**10%** STATE $4,004,920

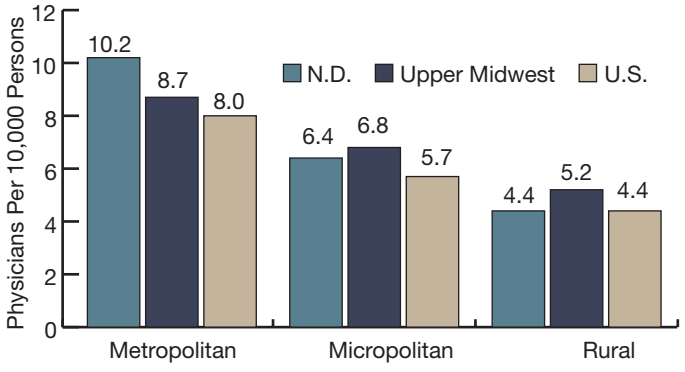
**6%** FOUNDATION $2,356,000

**6%** OTHER* $2,194,510

* Private nonprofit, international, private for profit, other governmental, etc.

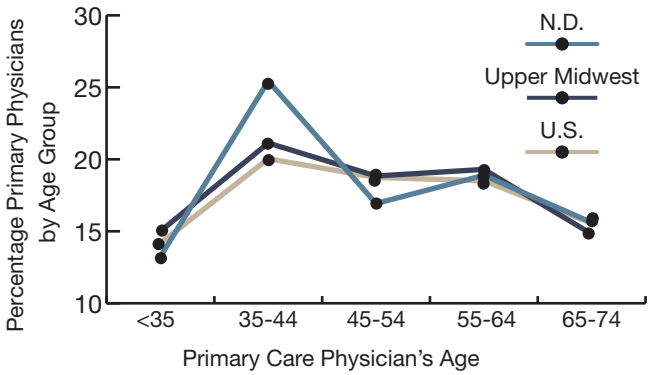
## SERVE

The practicing-primary-care-physician-to-10,000-population ratios are lower for rural N.D. counties, relative to the rest of the Upper-Midwest, but higher for metropolitan counties in North Dakota, relative to the rest of the Midwest and the nation.




Primary care physicians per 10,000 persons in North Dakota, with comparisons, 2020.

North Dakota's primary care physicians are less likely to be in the "under 35" age group and more likely to be in the "35 to 44" age group with respect to the comparison regions.




Percent of primary care physicians by age for North Dakota, with comparisons, 2020.

**"The primary purpose of the University of North Dakota School of Medicine and Health Sciences is to educate physicians and other health professionals for subsequent service in North Dakota and to enhance the quality of life of its people. Other purposes include the discovery of knowledge that benefits the people of this state and enhances the quality of their lives."**

—NORTH DAKOTA CENTURY CODE (Section 15-52-01)

UND SCHOOL OF MEDICINE & HEALTH SCIENCES
UNIVERSITY OF NORTH DAKOTA

University of North Dakota School of Medicine and Health Sciences
68th Legislative Assembly House Appropriations Committee Hearing
January 11, 2023

UND UNIVERSITY OF NORTH DAKOTA

**House Appropriations Committee**
**Education and Environment Division**

**UND School of Medicine and Health Sciences**

Wednesday, January 11, 2023

Joshua Wynne, M.D., M.B.A., M.P.H.
Vice President For Health Affairs and Dean

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## Members of the Finance Team

- Namil Choi, MBA, CPA
  - Associate Dean for Administration & Finance/Chief Operating Officer

- Terry Nelson
  - Director, Budget and Facilities Management

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UND School of Medicine & Health Sciences UNIVERSITY OF NORTH DAKOTA

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## Overview of Today's Presentation

- Status and accomplishments of the UND SMHS
  - What does the state get in return for its financial support?
  - Have we fulfilled the expectations of the citizens/legislature?
- Strategic direction going forward
  - Where we hope to go
- Opportunities and Challenges
- Budget requests and considerations
- Discussion/Questions

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UND School of Medicine & Health Sciences UNIVERSITY OF NORTH DAKOTA

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## Additional Material Provided for Background

- Executive Summary of the *Seventh Biennial Report 2023 – Health Issues for the State of North Dakota*
  - Required by North Dakota Century Code
  - Prepared by the UND North Dakota Healthcare Workforce Group and distributed on behalf of the UND SMHS and its Advisory Council
- One-page summary of the activities and accomplishments of the UND SMHS this past year

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## UND SMHS Budget Considerations

- UND SMHS is one of nine schools/colleges comprising UND.
- There are 11 campuses in the North Dakota University system but 12 academic unit line items in the legislative budget, as the UND SMHS traditionally has had a separate line in the budget (although an integral component of UND).
- The UND SMHS budget has two major components:
  - The formula funding component that is based on student credit hour production (similar to all other NDUS institutions)
  - A unique one that supports much (but not all) of the Healthcare Workforce Initiative, especially its residency expansion provision

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## North Dakota's Healthcare Workforce Initiative Started in the 2011-13 Biennium

- Reduce disease burden ➔ focus on population health
  - Masters and Ph.D. public health degree programs (coordinated public health programs at UND and NDSU)
- Retain more healthcare provider graduates for North Dakota
  - RuralMed Program

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## Healthcare Workforce Initiative (HWI)

- Train more healthcare providers
  - Medical student class increased by 16/year (total of 64 additional)
  - Health sciences students increased by 30/year (total of 90 additional)
  - Resident (post-MD training required prior to clinical practice) slots increased
    - Currently there are 35 residency slots supported by the HWI, projected to grow to 48 in FY2026
- Improve the efficiency of the healthcare delivery system
  - Training in interprofessional healthcare teams
  - Developing "virtual care" approaches that bring the clinic to the patient rather than the other way around (especially important in rural areas)

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## What Does the State Get In Return for Its Financial Support?

- **Education** of a spectrum of healthcare students ➔ Positive impact on **healthcare provider workforce in North Dakota** and the region
- **Research** that improves the quality of life for North Dakotans by reducing disease burden
- **Service** to North Dakotans in the healthcare realm, especially in rural regions (Center for Rural Health)
- **Economic impact**, as the UND SMHS generates about $2 for every $1 of appropriated funding

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## UND SMHS Outcomes

| Metric | Percentile Rank |
|---|---|
| Percent of graduates practicing in rural areas | 98th |
| Percent of graduates entering family medicine | 92nd |

Source: Association of American Medical Colleges Missions Management Tool 2022

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## Value of the School to North Dakota

- Providing healthcare professionals
  - 78% of Family Medicine Physicians
  - 50% of Physicians
  - 48% of Physical Therapists
  - 52% of Occupational Therapists
  - 39% of Physician Assistants
  - 47% of Medical Laboratory Scientists

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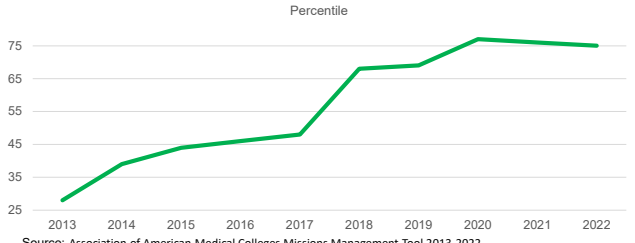
## Retention of UND SMHS Medical Student Graduates for Practice In-State




Source: Association of American Medical Colleges Missions Management Tool 2013-2022

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## Service to the Community

- RuralMed
- Rural Opportunities In Medical Education (ROME)
- Center for Rural Health
  - SCRUBS Academy and camps
- Rural residencies
- SIM-ND
  - Provides simulator training in vans to each quadrant of the state

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## Research Programs

- We focus on studying diseases of relevance to North Dakota
  - Alzheimer's and other neurodegenerative diseases
  - Diseases of aging
  - Cancer
  - Infectious diseases (vector-borne)
  - Opioid addiction
  - Epigenetics

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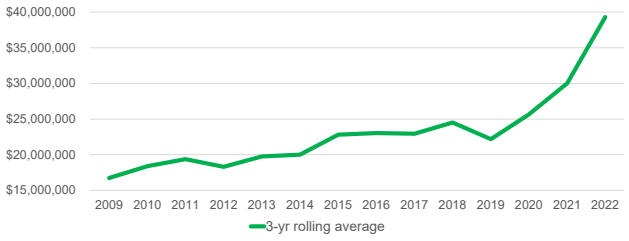
## UND SMHS Sponsored Funding

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## Has the UND SMHS Fulfilled the Expectations of the Citizens/Legislature?

The UND SMHS is the only institution within NDUS to have its **purpose** defined in ND Century Code (NDCC 15-52-01):

"The primary purpose of the University of North Dakota School of Medicine and Health Sciences is to educate physicians and other health professionals for subsequent service in North Dakota and to enhance the quality of life of its people. Other purposes include the discovery of knowledge that benefits the people of this state and enhances the quality of their lives."

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## Where UND SMHS Is Headed

- The "What" will remain unchanged
  - Educate
  - Discover
  - Serve
- The "How" will change dramatically
  - Educate – More hybrid learning (but tough to teach team and procedural approaches virtually)
  - Discover – Big focus on translational ("bench to bedside") research
  - Serve – Bring medical care to the patient, rather than have the patient come to a medical care facility
- The "Who" will change too
  - More diverse and inclusive healthcare workforce

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## Challenges

- Because of the expansion of our research enterprise, the availability of additional dry and wet lab space is beginning to become an issue
- Growth of undergraduate teaching also is straining available teaching space in the Grand Forks building
- Attracting and retaining talent
- Limited opportunities to expand class size further due to the saturation of clinical sites with our trainees
- Relatively homogeneous patient population
- Student well-being issues specifically related to the pandemic

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## Endorsement of UND/NDUS Budget Requests

- Needs-based budget
- Endorsement of Executive Budget proposal of 6%/4% salary increase and equity salary pool
- Funding for a 15% health insurance premium increase
- Funding for a 7.5% inflationary increase to the student credit hour funding formula to support operations
- Appropriated support for tuition-funded portion of salary and benefit increases

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## Request for Salary Increase for HWI Funding

($ in Millions)

| | 2021-23 | Request 2023-25 | Change |
|---|---|---|---|
| Faculty/Staff | $3.9 | $4.2 | $0.3 |
| Resident | $3.9 | $4.2 | $0.3 |
| Operations | $2.9 | $2.9 | $0.0 |
| Total | $10.7 | $11.3 | $0.6 |

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UND School of Medicine & Health Sciences, University of North Dakota

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## UND SMHS Budget Request

| | General Fund | GF - HWI | Total |
|---|---|---|---|
| **Base Funding** | | | |
| Base budget 2021-23 | $57,446,808 | $10,676,150 | $68,122,958 |
| Base adjustment | 1,861,841 | | 1,861,841 |
| Cost to continue salaries | 389,953 | | 389,953 |
| General Fund before Executive Proposal | 59,698,602 | 10,676,150 | 70,374,752 |
| **Adjustments in Executive Budget** | | | |
| 6%/4% Salary Increase | 3,368,540 | | 3,368,540 |
| Health Insurance Increases | 862,571 | | 862,571 |
| Equity salary pool | 1,942,905 | | 1,942,905 |
| General Fund before UND/NDUS Proposal | 65,872,618 | 10,676,150 | 76,548,768 |
| **Adjustments proposed by UND/NDUS** | | | |
| Inflationary increase of 7.5% | 4,477,395 | | 4,477,395 |
| General Fund before SMHS Proposal | 70,350,013 | 10,676,150 | 81,026,163 |
| **Adjustments proposed by UND SMHS** | | | |
| 6%/4% applied to HWI funding | | 633,360 | 633,360 |
| Health Insurance Increases for HWI | | 162,182 | 162,182 |
| General Fund Grand Total | $70,350,013 | $11,471,692 | $81,821,706 |

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UND School of Medicine & Health Sciences, University of North Dakota

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## Capital Request

- Take the initial step to create a Health Professions sub-campus at UND with the addition of an allied health building adjacent to and attached to the current SMHS building
- The additional building would achieve a variety of goals:
  - Achieve greater efficiency of operations and greater productivity because of economies of scale between the UND School of Medicine and Health Sciences and the UND College of Nursing and Professional Disciplines
  - Promote even greater collaborative and interprofessional education of the various health profession students at UND
  - Provide the space to expand the nursing class size to help deal with the state's shortage of nurses
  - Provide needed space for our expanding programs in Indigenous health
  - Provide needed space for the SMHS's laboratories housed in Columbia Hall that is scheduled for closure

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UND School of Medicine & Health Sciences, University of North Dakota

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# UND SMHS Budget Request

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|---|---|---|---|
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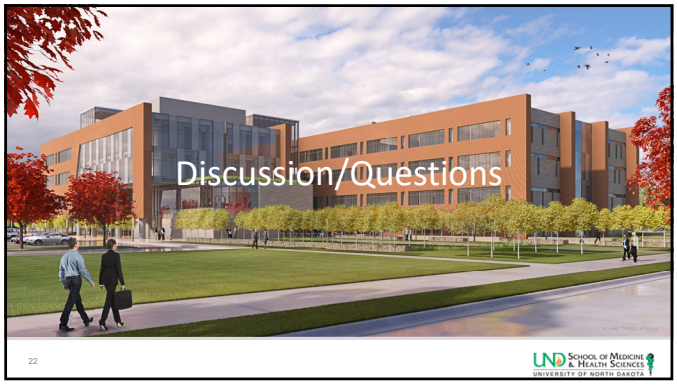
Discussion/Questions
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UND School of Medicine & Health Sciences
University of North Dakota

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SEVENTH BIENNIAL REPORT | 2023

# HEALTH ISSUES FOR THE STATE OF NORTH DAKOTA

School of Medicine & Health Sciences
Advisory Council

Center for Rural Health
University of North Dakota
School of Medicine & Health Sciences

UND School of Medicine & Health Sciences
University of North Dakota

School of Medicine & Health Sciences

# Advisory Council

This *Biennial Report* was prepared by the UND School of Medicine and Health Sciences Advisory Council

**David Molmen, M.P.H.**
(Chair)
Northeast Campus Representative

**Joshua Wynne, M.D., M.B.A., M.P.H.**
(Executive Secretary)
Vice President for Health Affairs and Dean

**Thomas F. Arnold, M.D.**
Southwest Campus Representative

**Gretchen Dobervich**
North Dakota House of Representatives

**Robert Erbele**
North Dakota Senate

**Brad Gibbens, M.P.A.**
Acting Director of the Center for Rural Health, UND School of Medicine & Health Sciences

**Dean Gross, Ph.D., F.N.P.-C**
North Dakota Center for Nursing

**Christopher D. Jones, M.B.A.**
Department of Human Services Representative

**Courtney Koebele, J.D.**
(Ex officio)
North Dakota Medical Association

**John M. Kutch, M.H.S.A.**
Northwest Campus Representative

**Michael LeBeau, M.D.**
North Dakota Hospital Association

**Tim Mathern, M.S.W., M.P.A.**
North Dakota Senate

**Jon O. Nelson**
North Dakota House of Representatives

**Joshua Ranum, M.D.**
North Dakota Medical Association Representative

**Casey Ryan, M.D.**
North Dakota State Board of Higher Education

**Stephen Tinguely, M.D.**
Southeast Campus Representative

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## Disclaimer

This *Biennial Report* represents the good-faith effort of the UND School of Medicine and Health Sciences and its Advisory Council to provide current and accurate information about the state of healthcare in North Dakota. Numerous sources were used in gathering the information found in this *Report*. We welcome corrections, which we will incorporate in subsequent editions of the *Biennial Report*.


## Acknowledgement

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Cover photo courtesy of Anzley Harmon, ND Tourism.

# EXECUTIVE SUMMARY*

North Dakota, like the rest of the country, continues to grapple with a major healthcare delivery challenge—how to meet a burgeoning demand for healthcare services now and especially in the future with a supply of physicians and other healthcare providers that has not always kept pace with growing demand. The problem is exacerbated by the strain on healthcare workers from the SARS-CoV-2 (COVID) pandemic, potentially leading to "burnout" and departure of vital healthcare providers from the healthcare field. The need for healthcare workers is particularly important in rural and western parts of North Dakota, where there has been a shortage (especially of primary care providers) since the start of statehood. The data that were reviewed for this *Biennial Report* (and prior reports) illustrate two major long-standing problems in North Dakota. One problem is an inadequate number of healthcare providers; however, the larger problem is a maldistribution of providers. The data show that healthcare providers are disproportionately located in the larger urbanized areas of the state, leaving many rural areas with a shortage. Without direct intervention, the difficulty of providing adequate healthcare in North Dakota will worsen over the coming decades from the aging of the population (including aging and eventual retirement of the healthcare workforce) that will increase the demand for healthcare services in those areas.

However, unlike much of the rest of the country, North Dakota has been directly addressing its healthcare delivery challenges over the past decade through the implementation of a well-vetted plan for healthcare workforce development and improved healthcare delivery. That plan, the Healthcare Workforce Initiative (HWI), was an outgrowth of both the *First* and *Second Biennial Report on Health Issues for the State of North Dakota*. Phase I of the HWI, which began by increasing medical and health sciences class sizes along with increasing residency (post-MD degree training) slots, has already been fully implemented. Phase II of the plan, which includes further growth of residency slots, currently is being implemented. When fully implemented, the HWI should, in the future, decrease North Dakota's healthcare delivery challenges through attainment of its four goals: 1) reducing disease burden, 2) retaining more healthcare provider graduates for care delivery within the state, 3) training more healthcare providers, and 4) improving the efficiency of the state's healthcare delivery system through an emphasis on team-based care delivery approaches. To accommodate the substantial class size expansions associated with the HWI, a new University of North Dakota (UND) School of Medicine and Health Sciences (SMHS) facility was constructed on UND's Grand Forks campus. The building was completed in 2016 and is fully functional. The largest government-funded building construction project in the state's history, it was completed on time and on budget.

In accordance with the expectations specified in the North Dakota Century Code (NDCC 15-52-04), this *Seventh Biennial Report on Health Issues for the State of North Dakota* (*Biennial Report*) updates the first six reports with an assessment of the current state of health of North Dakotans and their healthcare delivery system, along with an analysis of the steps that need to be taken to ensure that all North Dakotans will continue to have access to high-quality healthcare at an affordable cost now and in the future.

* The full *Biennial Report*, along with all supporting data, is available at med.UND.edu/publications/biennial-report.

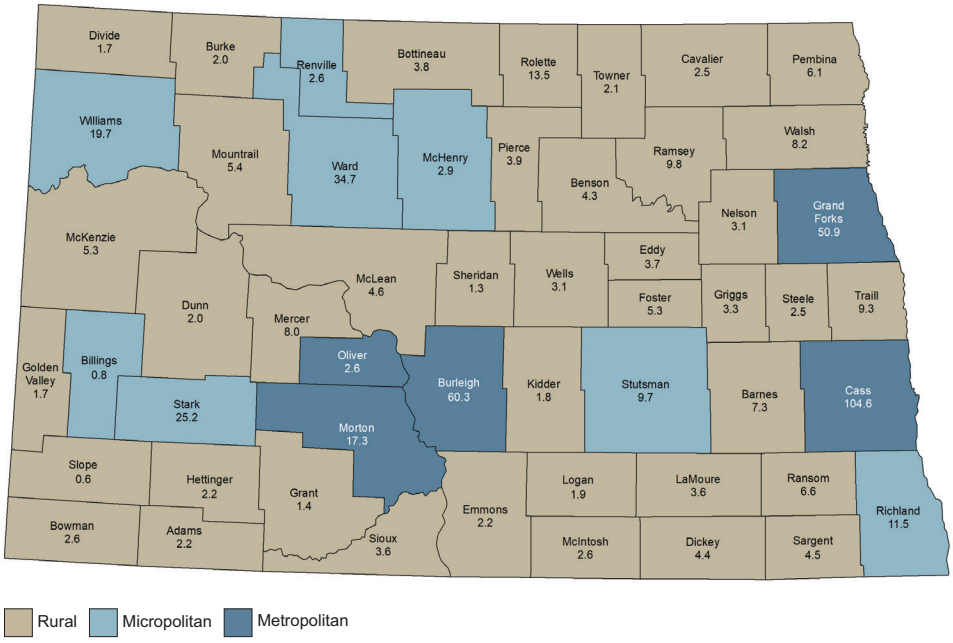



**Figure 1.1. Population densities (number of people per square mile) of metropolitan, micropolitan, and rural counties in North Dakota.**

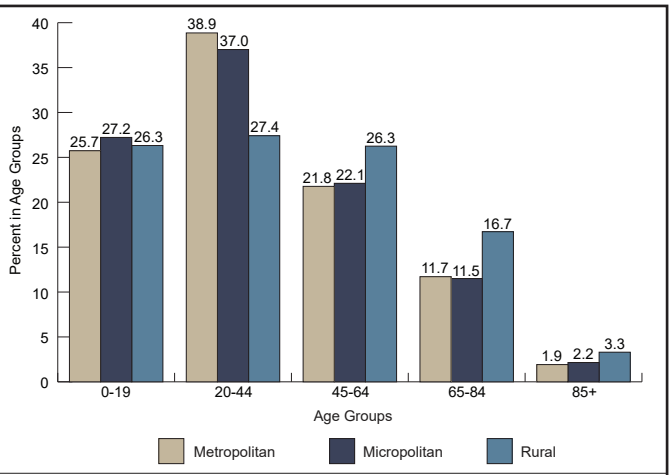



**Figure 1.3. Age of people in North Dakota by metropolitan, micropolitan, and rural counties, 2020.**

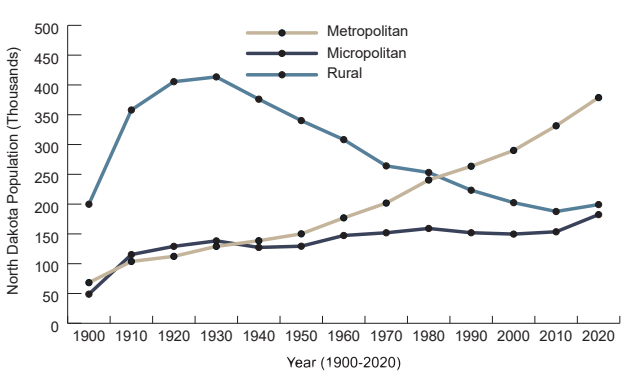



**Figure 1.10. Population in North Dakota from 1900 to 2020 by metropolitan, micropolitan, and rural counties.** Rural population decreased from 1930 to 2010, but has remained stable since then. Since 1990, metropolitan population has been higher than rural population. Population in rural North Dakota counties was up to three times as high as metropolitan or micropolitan populations into the 1930s. Then a sharp increase in metropolitan populations and decrease in rural populations caused the rural counties' populations to become less than the metropolitan counties by the 1980s.

**The Population of North Dakota:** The current *Biennial Report* begins with an updated analysis of the population demographics in North Dakota, utilizing the most recently available data. Standardized definitions are used to define the state's population—**metropolitan** to denote areas with a core population of 50,000 or more; **micropolitan** (or large rural) to denote areas with core populations of 10,000 to 49,999; and **rural** to denote areas with a population below 10,000 *(see Figure 1.1)*. Half of North Dakota's current population resides in metropolitan areas, with a little more than a quarter (26%) located in rural areas *(see Figure 1.10)*. This represents a dramatic change since only a few decades ago more than half of the state's population was located in rural areas. North Dakota is one of the least densely populated states in the country, ranking 48th in population density, and tied for fourth in the country in the percentage of its state population that is 85 years of age or older. Because demand for healthcare increases proportionally with age, demand for healthcare services is especially pronounced in North Dakota. Such needs will only increase as the state's citizens grow older. People in rural regions of North Dakota generally are older, poorer, and have less or no insurance coverage than people in non-rural areas, all of which are challenges to providing adequate healthcare *(see Figure 1.3)*. Rural regions continue to experience depopulation that will only exacerbate the current problem of healthcare access and delivery.

**Social Determinants of Health in North Dakota:** Various external factors, referred to as social determinants of health (SDOH), can affect health status and explain why some people are generally

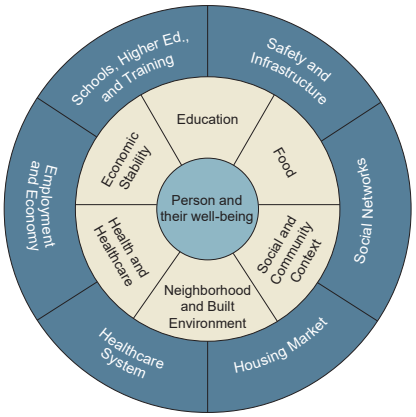



**Figure 2.1. Social determinants of health.** The innermost circle represents the individual, the middle ring represents an individual's immediate environment, and the outermost ring represents other outside influences on an individual's immediate environment.

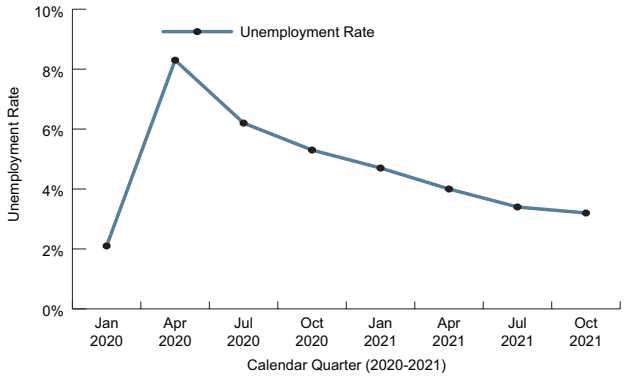



**Figure 2.2. North Dakota unemployment rate by calendar quarter 2020-2021.** North Dakota had an increase in the unemployment rate in the spring of 2020 followed by a steady decline.

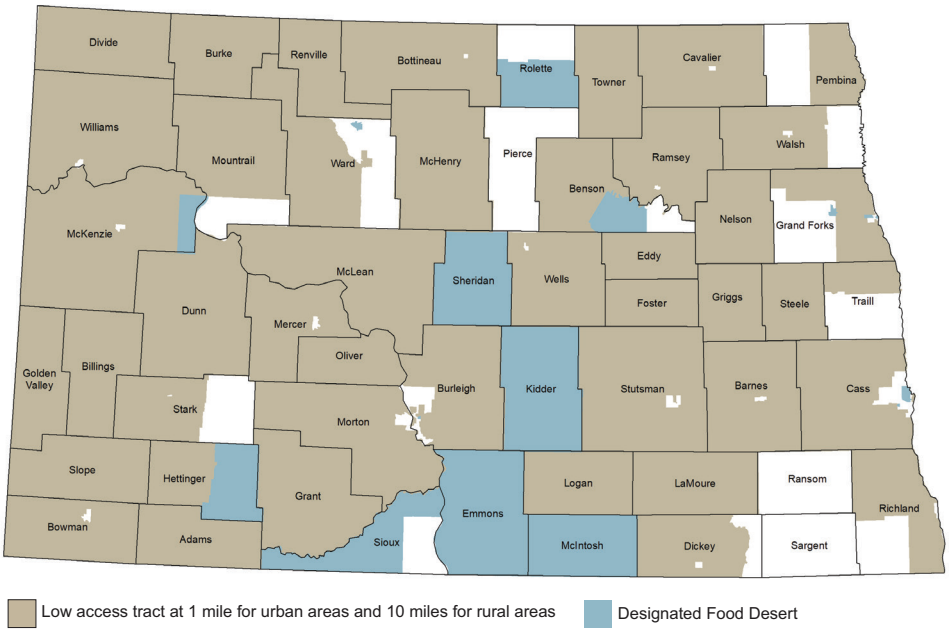



**Figure 2.5. Low food access and food desert designated census tracts in North Dakota, 2019.** Low food access is defined as 500 people and/or 33% of the population of a census tract living more than one mile from a grocery store in urban areas and more than 10 miles from a grocery store in rural areas. Food deserts are census tracts designated as low access and low income.

healthier than others *(see Figure 2.1)*. SDOH include conditions where people live, work, learn, and socialize. SDOH consider the various circumstances in which people are born, live, learn, work, socialize, play, and age that affect a range of health outcomes. Circumstances that may impact health outcomes of individuals include the current social structure, economic factors, and physical aspects of a person's environment *(see Figure 2.2)*. Environments include home, school, workplace, neighborhood, city, and other community settings where a person spends a significant amount of time. Resources that contribute to an enhanced quality of life for a given population are likely to have a significant influence on positive health outcomes of the population. Examples of quality of life enhancing resources include safe and affordable housing, access to education, public safety, availability of healthy foods, local health services, and environments free from life-threatening toxins. Six factors are recognized as core social determinants of health *(see Figure 2.5)*. They are the individuals' economic circumstances, their education, food access, the physical infrastructure of their environment, the social and community context in which they live, and their overall health and access to healthcare.

**The Health of North Dakota:** The health of North Dakotans, in comparison with the rest of the United States, is relatively good. When examining general health measures, North Dakotans are relatively healthier than the country as a whole. These general health trends include asthma, high cholesterol, and high blood

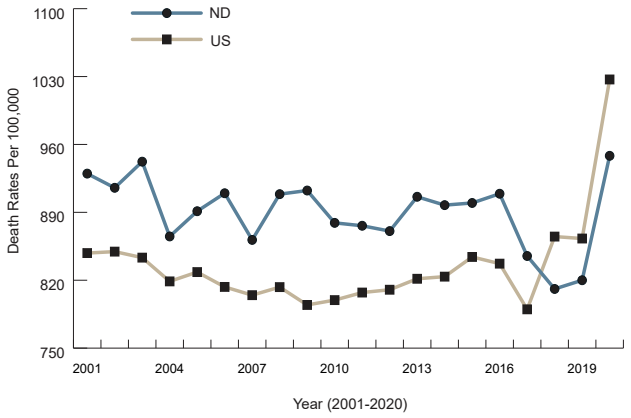



**Figure 3.6. Changes in North Dakota mortality rates from 2001 to 2020 compared with the United States, 2020.**

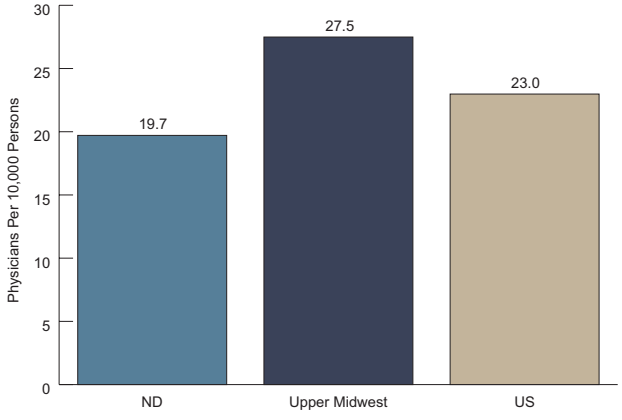



**Figure 5.2. Number of physicians per 10,000 persons for North Dakota, the Upper Midwest, and the United States (excludes resident physicians), 2019.**

**Table 3.2**
***Percent of adults reporting general health conditions, 2020.***

| | 2015 (590,349) | 2016 (591,299) | 2017 (588,563) | 2018 (580,621) | 2019 (586,392) | 2020 (584,823) |
|---|---|---|---|---|---|---|
| Disabled | 16.6 | 17.0 | NA | NA | NA | NA |
| Overweight/Obese | 61.5 | 62.8 | NA | 65.8 | 65.6 | 64.3 |
| General Health is Fair or Poor | 13.9 | 14.8 | 15.3 | 13.9 | 13.9 | 12.1 |
| 1+ Days Poor Health | 19.4 | 19.0 | 21.0 | 20.7 | 18.6 | 17.2 |
| 1+ Days Poor Phys. Health | 34.8 | 33.1 | 34.6 | 33.1 | 33.6 | 26.0 |
| 1+ Days Poor Mental Health | 33.0 | 32.5 | 34.3 | 36.2 | 34.2 | 34.7 |

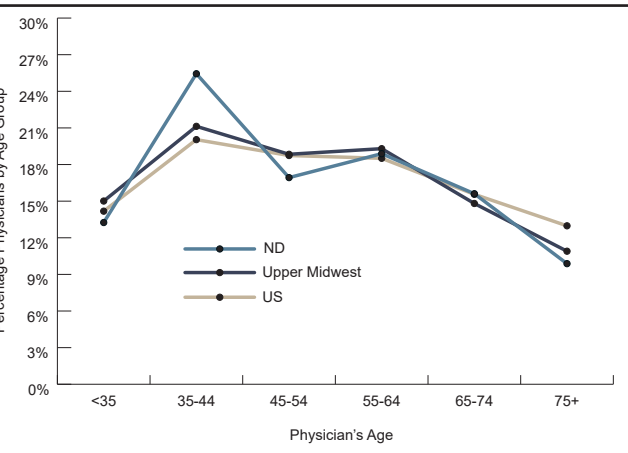



**Figure 5.4. Physician percent by age category with comparisons, 2019.**

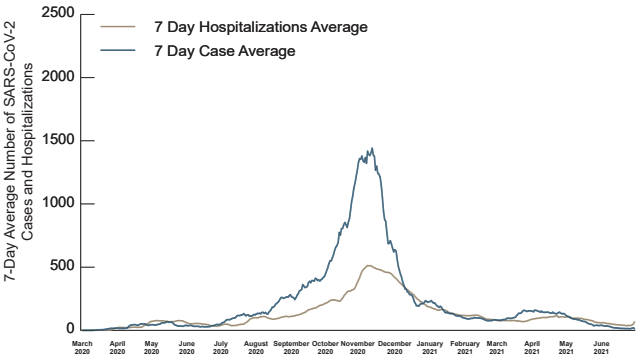



**Figure 4.1. Seven day average of SARS-CoV-2 cases and hospitalizations in North Dakota between March 1st, 2020 and June 30th, 2021.[2]**

pressure. In 2020 North Dakotans had higher rates of influenza and pneumonia compared to the country as a whole. North Dakotans have a slightly lower prevalence of diabetes than the rest of the United States and are less likely to report fair or poor health (*see Table 3.2*). However, North Dakotans tend to have a higher risk of some types of cancer. Additionally, North Dakota has led the nation in the number of deaths attributed to Alzheimer's disease. Previously, North Dakota had a higher mortality rate than the U.S. but that trend has shifted in a better direction in recent years. Nonetheless, the mortality rate in the U.S. and North Dakota has worsened recently, likely due both to the direct impact of the pandemic along with the indirect impact of the pandemic in delaying necessary care for other conditions (*see Figure 3.6*).

**SARS-CoV-2:** In early 2020, the state of North Dakota, like the rest of the country, was in the early phases of preparing for the arrival of a global pandemic, SARS-CoV-2. The virus's arrival in North Dakota was slightly behind the rest of the country and that allowed for the state to focus on readiness strategies including prevention and overall mitigation (*see Figure 4.1*). While these efforts were focused on public health and safety, they were being conducted at a point in time when no vaccines were available. The state adopted strategies based on public health best practices that focused on reducing the spread within the state of North Dakota while allowing the state to operate as normally as possible. As in the rest of the country, North Dakota saw a widespread outbreak prior to vaccines becoming available that resulted in taxing the health infrastructure within the state towards the end of 2020. When vaccines became available in 2021, the state had a comprehensive vaccination plan including identifying priority groups as well as establishing public health and health system partnerships to coordinate vaccinations. As

of this writing, North Dakota had 68% of the eligible population vaccinated with at least one round of vaccine compared to the United States at 80%.

**Physician Workforce:** The physician workforce in North Dakota has somewhat fewer physicians per 10,000 population than the United States as a whole or the Midwest comparison group (*see Figure 5.2*), and although the gap had narrowed over the past three decades, it recently has widened. Our physicians are more likely to be male than elsewhere in the United States (*see Figure 5.5*), although female physicians in North Dakota are more evenly distributed across the state when compared to the rest of the United States. Previously the physicians in North Dakota have been older when compared with the rest of the country, but a trend of younger physicians is beginning to emerge (*see Figure 5.4*). About one-fourth of the physician workforce is made up of international medical graduates, a little higher than the rest of the country. The UND SMHS is an important source of physicians for the state, accounting for 47% of the more than 1,000 physicians practicing in North Dakota who graduated from a U.S. medical school.

As of 2021, half of the physicians in North Dakota received some or all of their medical training (medical school or residency or both) in-state. The patient to physician ratio is not equally distributed across the state. Micropolitan areas have about twice as many patients per

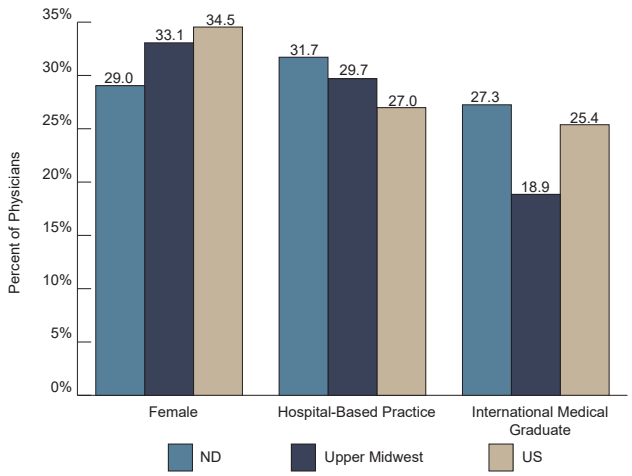



**Figure 5.5. Select physician characteristics with comparisons, 2019.**

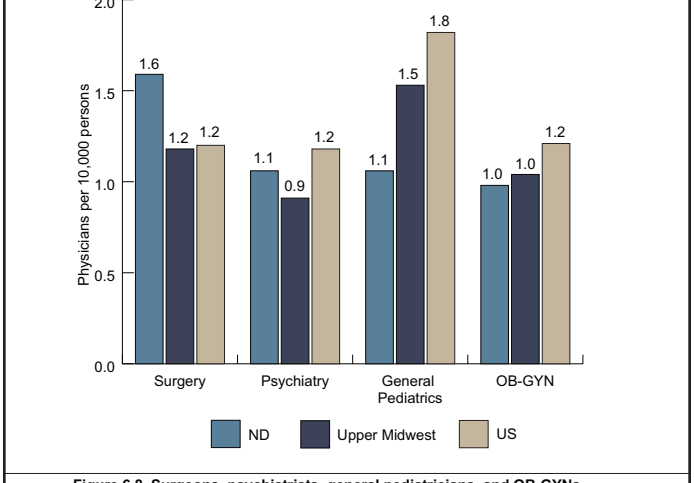



**Figure 6.8. Surgeons, psychiatrists, general pediatricians, and OB-GYNs per 10,000 persons in North Dakota with comparisons, 2020.**

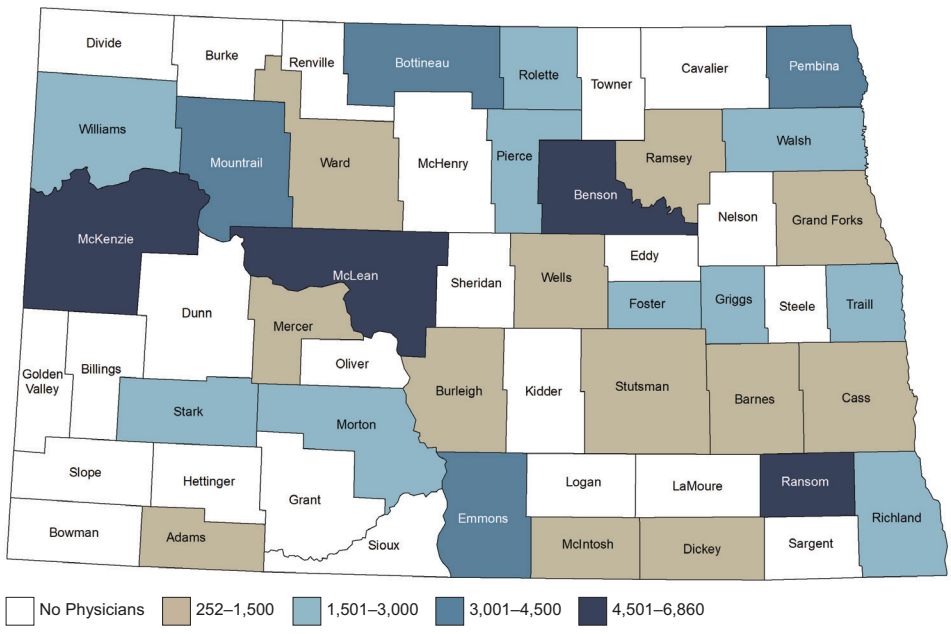



**Figure 6.1. Population per primary care physician in North Dakota, by county, 2021.**

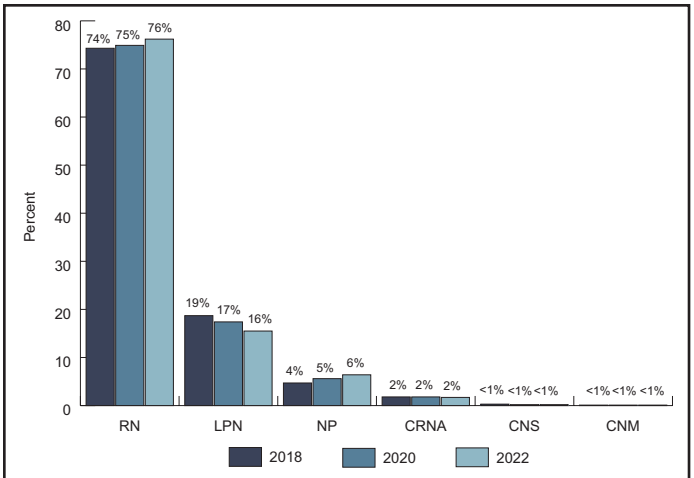



**Figure 7.1. Percent of licensed nurses in North Dakota by type and year, 2022.**

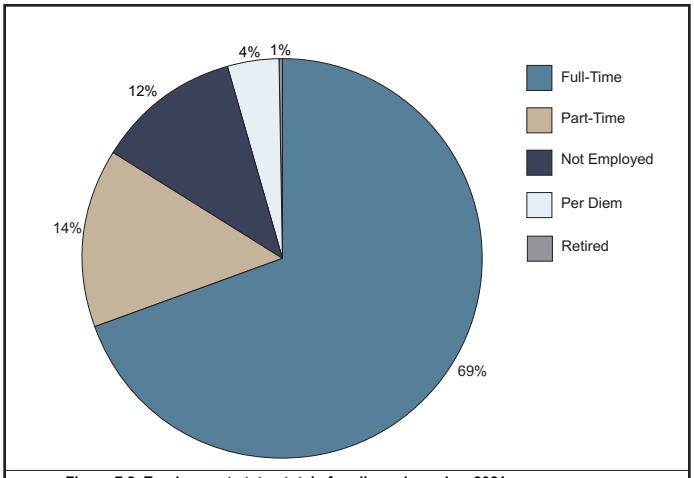



**Figure 7.2. Employment status totals for all nursing roles, 2021.**

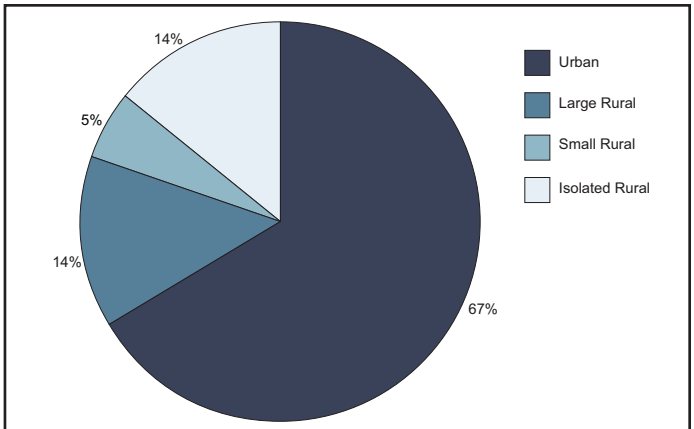



**Figure 7.3. Nursing employer location by rural designation, 2021.**

physician as metropolitan areas, while rural areas have about five times as many. Without the effects of the HWI, current estimates indicate a shortage of some 260 to 360 physicians by 2025, the consequence of a heightened need for healthcare services as the Baby Boom generation ages and from retirements in the aging physician workforce (one-quarter of the physicians in North Dakota are 65 years of age or older).

**Primary Care Workforce and Specialist Care Workforce:** The state's primary care physicians include family medicine, general internal medicine, and general pediatrics. Compared with the rest of the country, North Dakota has a similar number of primary care physicians when normalized to the population size. Their density is significantly higher than either comparison group in metropolitan regions. Although primary care physicians in North Dakota are more likely to practice in rural areas compared with specialist physicians, they still are twice as likely to be found in urban regions rather than rural areas *(see Figure 6.1)*. Residency training in North Dakota is an especially important conduit of primary care physicians, since nearly half (45%) of them have graduated from medical school at UND; more than half completed a residency within the state or did both. The impact of UND and in-state residency training is even more impressive for family medicine physicians, since more than three-quarters of them are in-state graduates.

North Dakota has relatively fewer specialists in certain specialties (including obstetrics/gynecology) than the Midwest or the rest of the United States *(see Figure 6.8)*. North Dakota has about the same relative number of psychiatrists as other Midwest states and the United States, although two-thirds of them work in the eastern part of the state, leaving the western parts of North Dakota with a relative shortage.

**Nursing Workforce:** The state's nursing workforce was examined using new licensure data. The state has shown an increasing trend of Registered Nurses (RNs) and Advanced Practice Registered Nurses (APRNs) with a decline in Licensed Practical Nurses (LPNs) from 2018 to 2022 (*see Figure 7.1*). The representation of APRNs between 2018 and 2022 was relatively stable with an increase from 7% to 8%. The representation of LPNs decreased from 19% to 16%, and RNs increased from 74% to 76%. Despite the decline in the percent of LPNs, there has been an increase of more than 2,500 nurses licensed in the state of North Dakota between 2018 and 2022. The increase in nurses overall was due to the increase of more than 2,200 RNs between 2018 and 2022. The current 2022 distribution of licensed nurses in North Dakota is represented by a majority of RNs (76%), followed by LPNs (16%) and APRNs (8%). A majority of RNs and LPNs were trained in state, with the highest numbers working in an outpatient setting. A majority of nurse practitioners were trained in North Dakota with the highest percentage working in primary care. Most nurses in North Dakota – regardless of nursing role – work full-time; 12% are unemployed (*see Figure 7.2*). The majority of full-time nurses are licensed as RNs or APRNs; however the percent of RNs employed full-time declined from 74% in 2018 to 69% in 2022. In 2022 61% of LPNs

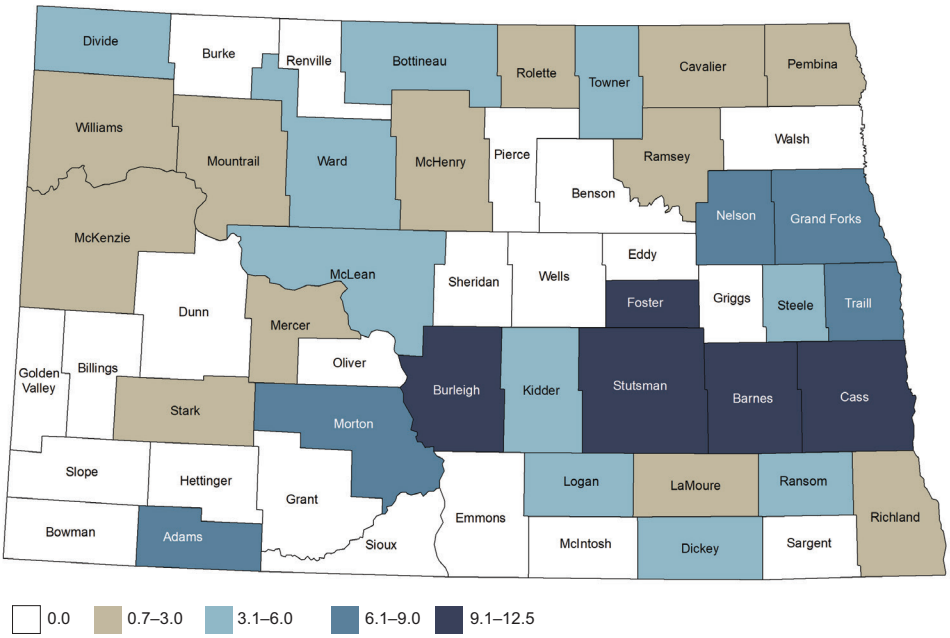



**Figure 8.5. Rate of counselors per 10,000 North Dakota residents, by county, 2021.**

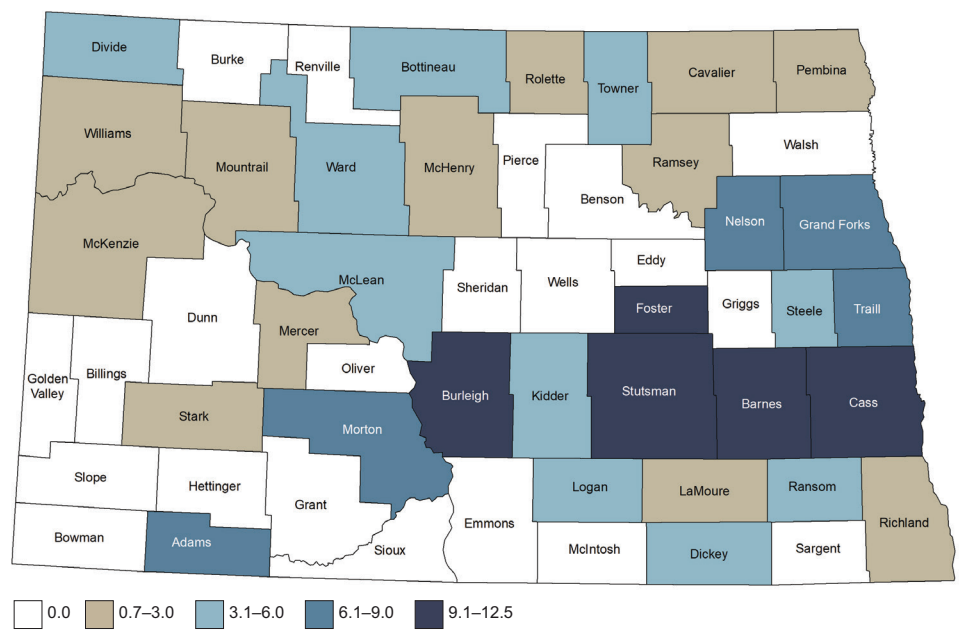



**Figure 8.6. Rate of licensed addiction counselors per 10,000 North Dakota residents, by county, 2021.**

were employed full-time and 19% of LPNs were not employed. Although a nursing presence is especially noteworthy in isolated rural regions of the state, the majority of nurses work in the urban areas (see *Figure 7.3*).

**Behavioral Health Non-Physician Healthcare Workforce in North Dakota:** Most behavioral health professionals and non-physician providers are found in urban areas. This includes psychiatrists, psychologists, counselors, licensed addiction counselors, social workers, occupational therapists, physical therapists, physician assistants, medical laboratory scientists, pharmacists, and dentists (*see Figures 8.5 and 8.6*). The largest behavioral health workforce occupation in North Dakota is social workers, with more than 2,000 licensed in the state. A majority of social workers are licensed bachelor's social workers (LBSW) with 66% of social work licenses,

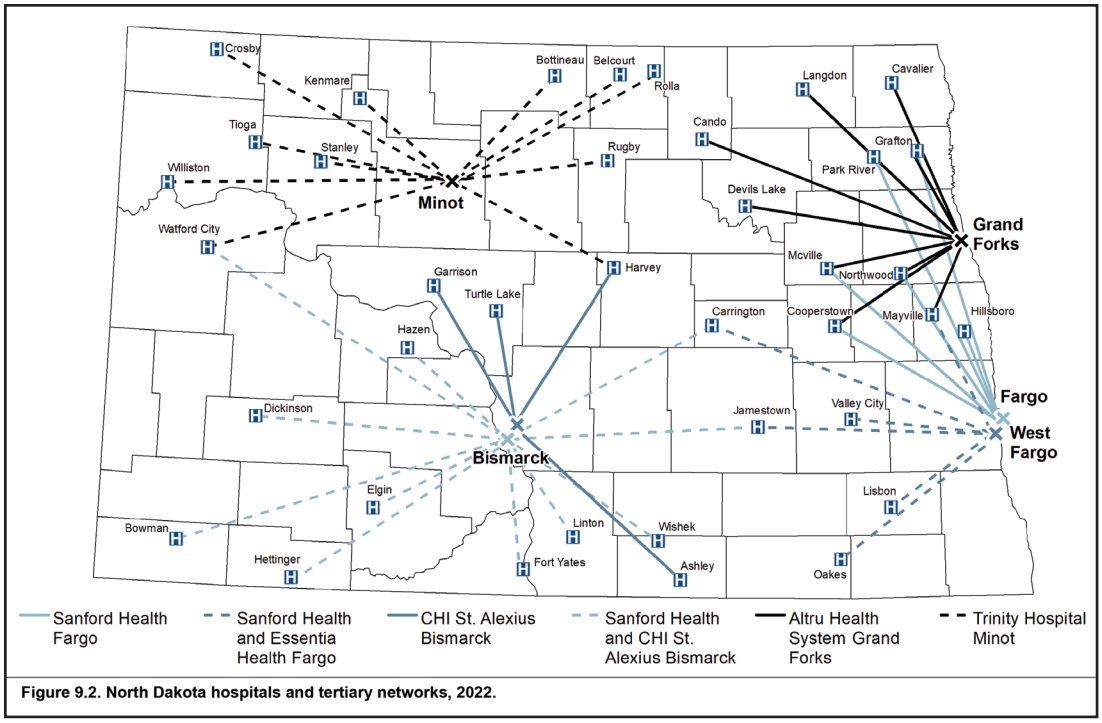



**Figure 9.2. North Dakota hospitals and tertiary networks, 2022.**

followed by licensed clinical social workers (LCSW) with 18%, and licensed master social workers with 16% of licenses. Of the three social work license types, LCSWs have specialized clinical knowledge and training in the areas of practice, and can also diagnose and treat mental, emotional, and behavioral disorders, conditions, and addictions. Of all behavioral health occupations in the state, the most common academic program offered at North Dakota institutions of higher education is social work. When comparing geographic distribution, approximately three-fourths of counselors and social workers are in urban areas. Despite this distribution in a majority in urban areas, the county level distribution of counselors and social workers shows representation of the workforce in a majority of counties. Addiction counselors are less likely to be in urban areas than their peers, with only 66% in urban areas. When examining those occupations with programs at the SMHS, the geographic distribution favors rural areas. Physical therapy professionals are split almost evenly between urban and rural with 51% in urban areas and 49% in rural areas. Medical laboratory scientists are represented in urban areas at 65% and isolated rural areas at 15%. Physician assistants and occupational therapist professionals are distributed with approximately 70% in urban areas and 30% in rural spaces.

**Healthcare Organization and Infrastructure:** Healthcare in North Dakota is delivered through more than 300 ambulatory care clinics, 52 hospitals, and 77 skilled-nursing facilities (*see Figure 9.2*). These facilities are supported by an array of emergency medical services (EMS) providers, trauma centers, 28 public health units, oral health providers, human service zones, and pharmacies.

**Table 10.1**
***North Dakota rankings associated with the Commonwealth Fund State Scorecard, 2022.***

| Category | 2018 | 2020 | 2022 |
|---|---|---|---|
| Access | 24th | 23rd | 23rd |
| Prevention and Treatment | 23rd | 20th | 38th |
| Avoidable Hospital Use and Costs | 9th | 11th | 16th |
| Equity | 27th | 11th | 25th |
| Healthy Lives | 26th | 15th | 32nd |
| COVID | - | - | 41st |

Generally, the further the facility is from a metropolitan area, the more its operation is threatened by financial and other pressures, including staff recruitment and retention challenges. Rural health organizations tend to be small in size but have a significant impact both on the health of individuals and the economic base of their communities. An example identified in the full report demonstrated the importance of collaboration between health systems, public health, and other entities to provide vaccinations for SARS-CoV-2. For example, the collaboration between the Alerus Center, Altru Hospital, City of Grand Forks, North Dakota Department of Health, North Dakota National Guard, the University of North Dakota College of Nursing and Professional Disciplines, and the University of North Dakota Master of Public Health Program served the greater Grand Forks region to provide vaccinations for the public. This effort allowed the region to optimize the acquisition and delivery of the vaccine at one location that resulted in the delivery of over 37,000 vaccinations. This effort also focused on delivering vaccines to home-bound individuals who otherwise would not be able to travel to the vaccine delivery site.

**Healthcare Policy:** Nationally, as well as locally, the health delivery system is going through profound change. Improvements in population health and a realignment of provider payments to incorporate those improvements is a new and fundamental reality. The quality and safety of care delivered in a healthcare system is directly associated with improving and maintaining overall health status. In a complex healthcare system, there are a number of concerns, such as the availability of providers; access to care and health services, technology, and treatment advancement; and the financial dimensions of affordability and payment. Each of these is a contributing factor in the overall strategy to be considered when reforming or redesigning the health system. In addition, the quality of care provided to the population and the patient outcomes produced are equally important facets of reform.

The statewide problem of unmet mental and behavioral health needs, especially related to the recent pandemic, is highlighted in the current *Biennial Report*. One approach already implemented through the HWI is to bring the (often rural) patient to the provider through the use of telepsychiatry. The UND Department of Psychiatry and Behavioral Science has implemented training in telemedicine-delivered clinical services for all of its residents so that they will be able to utilize this effectively in clinical practice.

The quality of healthcare delivered in North Dakota is as good as or better than much of the United States, but there appears to have been a decline in several measures in the past few years, particularly in the delivery of certain acute-care services. North Dakota (along with other upper Midwest states) generally provides high-quality care at relatively lower cost than other states in the United States. North Dakota ranked 29th in state health system performance in the country in a recent assessment undertaken by the Commonwealth Fund (down from 22nd in 2017) (*see Table 10.1*).

The *Biennial Report* concludes with a number of recommendations. First is continuing strong endorsement of the Healthcare Workforce Initiative especially given the accumulated data that verify its effectiveness. One component of the HWI—the RuralMed medical school scholarship program—is cited in particular for its positive results in rural physician recruitment. One suggestion for consideration by the 68th Legislative Assembly is to authorize funding so that any approved merit pool for North Dakota University System salaries can apply as well to personnel funded through the HWI. The budget submitted by the UND SMHS for the 2023–2025 biennium and endorsed by both UND and the State Board of Higher Education has been structured to permit ongoing funding of the HWI and a continuation of the various vital healthcare educational programs of the UND SMHS. The UND SMHS Advisory Council strongly supports the proposed funding.

A second major conclusion of the *Biennial Report* is that further attention and planning (by the healthcare enterprise as a whole, the North Dakota Legislature, the UND SMHS, and other stakeholders) are needed to address a variety of intertwined mental and behavioral health issues that are present throughout the state but are especially challenging in the more rural regions.

A final recommendation is for full implementation of the recently completed *Strategic Plan for Health* (https://bit.ly/NDStrategicPlanforHealth2021) and its ambitious goal for North Dakota to become the healthiest state in the nation. The three important initial steps for beginning this quest will be to raise awareness of the health implications of policy and legislative decisions, expand statewide public health expertise and leadership capacity, and enhance cross-sector collaboration and integration of the numerous entities involved in the healthcare enterprise within (and outside) the state.

AN ELECTRONIC VERSION OF THE COMPLETE REPORT IS AVAILABLE AT
MED.UND.EDU/PUBLICATIONS/BIENNIAL-REPORT

# 2023-25 Biennium Budget Narration
# for the Presentation to the Division of the Appropriations Committees

## University of North Dakota
## School of Medicine and Health Sciences

1. Cite the North Dakota Century Code chapter(s) associated with the agency and list its major statutory responsibilities.

ND Constitution Articles VIII and IX; North Dakota Century Code Chapter 15-52.

2. Explain the purpose of the agency's various divisions/programs

The University of North Dakota School of Medicine and Health Sciences (SMHS) is following legislative intent in our purpose to educate physicians and other health professionals for subsequent service in North Dakota and to enhance the quality of life of its people. Other purposes include the discovery of knowledge that benefits the people of this state and enhances the quality of their lives. Some areas of interest:

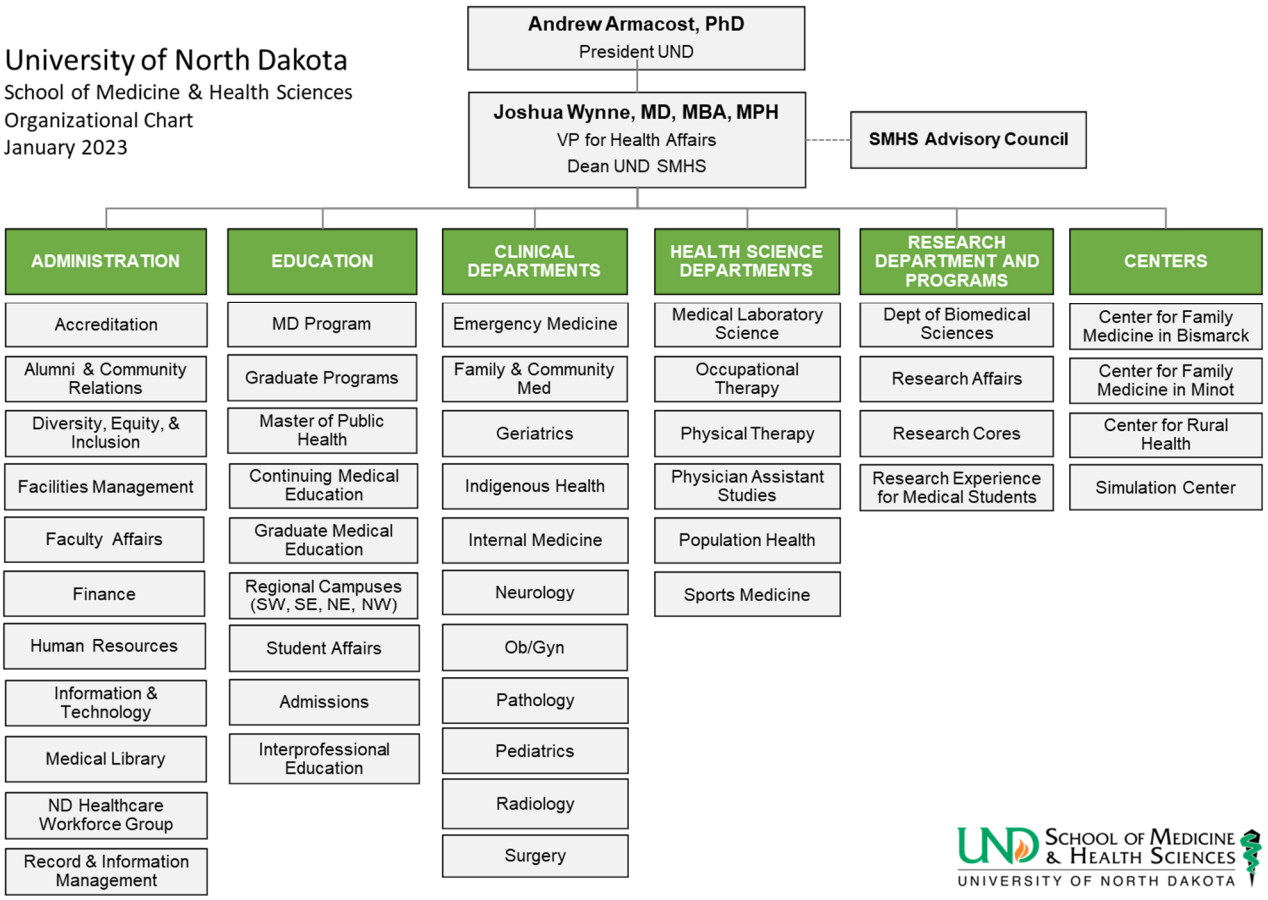
Healthcare Workforce Initiative (HWI): Starting in the 2019-21 biennium SMHS has a separate appropriation line for HWI. Appropriations have allowed additional 35 budgeted slots (out of 36 approved slots) of post-graduate residencies and expanded our North Dakota rural experiences. Our general fund appropriations support the North Dakota strategy of the HWI. The HWI is a four-pronged plan to help address North Dakota's healthcare workforce needs now and in the future by reducing disease burden, retaining more of our graduates for practice in North Dakota, training more practitioners, and improving the efficiency of our healthcare delivery system. The SMHS is also starting a new Pediatrics residency program that will accept it first 4 residents in FY24, with 4 additional residents being accepted in FY25 and FY26, for a final total of new 12 resident slots. This new Pediatrics residency program will be funded with HWI carryover funding for the first 6 to 8 years. The funding will need to be evaluated at that time to determine if permanent HWI funding would need to be requested from the ND Legislature for these additional HWI resident slots.

Master of Public Health: A first in the state partnership of two educational institutions in providing a new masters level degree program. We received accreditation by Council on Education for Public Health (first in the state). An Indigenous Health (Ph.D.) was added in FY21. The first of its kind in the United States or Canada educates and prepares students regarding unique health issues facing Indigenous populations. With its evidence-based approach to public health care, the program prepares students to be forward-thinking, culturally competent experts who are setting new standards in the fight against Indigenous disease disparities. Both programs continue to grow their student enrollment.

Rural Medicine Loan Forgiveness Program (RuralMed): A program designed to encourage medical students to select careers in family medicine and other shortage specialties and increase the number of providers for rural North Dakota. Students (a maximum of eight per year) accepted for RuralMed will have the cost of tuition paid for in return for practicing in rural North Dakota. This program accepts applications from medical students enrolled at the UND School of Medicine & Health Sciences. Students accepted for the RuralMed Program have the entire cost of tuition forgiven in return for their practicing in North Dakota. Currently, 34 students are accepted or enrolled in the program, and all are destined for rural practice in North Dakota.

Medical & Health Science Students: Medical class size expanded through the HWI to a total of 16 per year or 64 total students; health sciences 30 per year or 90 total students.

The current organizational chart is attached below.




3. Report any audit findings included in the most recent audit of your department or institution and action taken to address each finding.

UND and UND SMHS did not have any audit findings on the 06/30/20 financial audit.

4. Discuss current biennium accomplishments and challenges and next biennium goals and plans.

Biennium Accomplishments:

1. Received full 8-year accreditation from the Liaison Committee on Medical Education (LCME).

2. Continued Implementation of the Healthcare Workforce Initiative – which was to increase class sizes and growing residencies based on funding legislature has provided. The SMHS started the planning and accreditation process for the new Pediatrics residency program that will start accepting its first 4 residents in FY24.

3. Established a process of constant and recurring attention to and assessment of our compliance with accreditation standards.

4. Recognized by the American Academy of Family Physicians (AAFP) as having the nation's highest percentage of graduating seniors select family medicine as their specialty choice.

5. Ranked by U.S. News & World Report as one of the best in the nation, ranking 3rd for its commitment to rural medicine.

6. Continued the Rural Medicine Loan Forgiveness (RuralMed) program to mitigate medical student debt and encourage the choice of a rural family medicine practice location for graduating medical students. Reviewing expansion of the program to further incent rural area practice. Expanded opportunities in interdisciplinary experience in a rural setting with the Rural Opportunities in Medical Education [ROME] program.

7. Collaborated on Project Echo to address the opioid epidemic.

8. Increased grant proposals. Progressed in building research infrastructure with INBRE and COBRE grants, reaching $48.7 million in grant awards.

9. Supervised the Tobacco Quitline.

10. Provided services to all 53 counties and all 33 rural hospitals by the Center for Rural Health and Rural Assistance Center.

11. Recognizing the role of telehealth the Remotely Operated Biomedical Telepresence Systems project revolutionizes telemedicine and team-based healthcare education.

Challenges:

- Maintaining high-quality teaching, learning and research environment during COVID-19.
- Clinical experience and placement of students during COVID-19.
- Building research infrastructure and capacity.
- Fargo Campus aging facility
- Retaining high-performing basic sciences faculty
- Retaining high-performing staff and addressing salary equity concerns
- Addressing staff and faculty morale as a result of a stressful COVID environment and prior employee reductions that led to increased workloads loads for many.
- Meeting the mental health needs of students.

Next Biennium Goals and Plans:

- Continued investment in research infrastructure including research active faculty hires with anticipated outcomes of increased research expenditures.
- Address the Fargo Campus aging facility and location concerns
- Continue to try and address the retention of high-performing faculty and staff

5. Compare the agency's request/recommendation totals, including full-time equivalent (FTE) positions, for the next biennium compared to the current biennium.

| | General Fund | GF - HWI | Total |
|---|---|---|---|
| **Base Funding** | | | |
| Base budget 2021-23 | $57,446,808 | $10,676,150 | $68,122,958 |
| Base adjustment | 1,861,841 | | 1,861,841 |
| Cost to continue salaries | 389,953 | | 389,953 |
| General Fund before Executive Proposal | 59,698,602 | 10,676,150 | 70,374,752 |
| **Adjustments in Executive Budget** | | | |
| 6%/4% Salary Increase | 3,368,540 | | 3,368,540 |
| Health Insurance Increases | 862,571 | | 862,571 |
| Equity salary pool | 1,942,905 | | 1,942,905 |
| General Fund before UND/NDUS Proposal | 65,872,618 | 10,676,150 | 76,548,768 |
| **Adjustments proposed by UND/NDUS** | | | |
| Inflationary increase of 7.5% | 4,477,395 | | 4,477,395 |
| General Fund before SMHS Proposal | 70,350,013 | 10,676,150 | 81,026,163 |
| **Adjustments proposed by UND SMHS** | | | |
| 6%/4% applied to HWI funding | | 633,360 | 633,360 |
| Health Insurance Increases for HWI | | 162,182 | 162,182 |
| General Fund Grand Total | $70,350,013 | $11,471,692 | $81,821,706 |

| | FTEs |
|---|---|
| 2021-23 | 492.67 |
| 2023-25 | 488.83 |

6. Explain the funding included in each program/line item either in total or by division depending on the size of the agency:

a. Amounts included in the base budget and their purpose and use; and

| 2021-23 Legislative Base | |
|---|---|
| General Funds | 57,446,809 |
| General Funds - HWI | 10,676,150 |
| Tuition Funds | 35,912,020 |
| Special Funds | 124,894,229 |
| Total Funding Sources | 228,929,208 |
| | |
| Salary and Fringe Benefits | 142,072,679 |
| General Operating | 73,680,379 |
| Major Equipment | 2,500,000 |
| HWI Residents | 10,676,150 |
| Total Expenditures | 228,929,208 |

Base budget allows for high-quality educational programs, efficiently delivered, with an emphasis on primary care. In addition to medical student and resident education, the SMHS provides educational opportunities for a wide variety of allied health service professionals including medical lab science,

athletic training, physical therapy, occupational therapy, physician assistant program and public health. Further, the SMHS is acknowledged for its leadership in providing education in health professions through its commitment to American Indians.

b. Amounts included in the request/recommendation and justification for the change from the base budget. Discuss changes relating to:

(1) Salaries and wages; Cost to Continue Salaries

(2) Operating expenses: No changes

(3) Capital assets: No changes

(4) Grants: No changes

(5) Any special line items: No changes

(6) Estimated income - Special funds: Cost to Continue Salaries

(7) Estimated income - Federal funds: None

(8) General fund: Student Credit Hour Adjustment

(9) FTE positions: Slight decrease from 492.67 to 488.83

7. Discuss the purpose and use of any one-time funding items for the current biennium.

N/A, See UND Testimony

8. Identify and justify the need for any one-time funding being requested/recommended.

See UND Testimony – UND in conjunction with the SMHS are requesting support of $9M for the Allied Health facility planning process.

9. Discuss agency collections that are deposited in the general fund or a special fund, and any anticipated changes from 2021 legislative session estimates during the 2021-23 biennium and estimated changes for the 2023-25 biennium.

N/A

10. Discuss the need for any other sections that are included or are requested/recommended to be included in the agency appropriation bill.

N/A, See UND Testimony

11. Discuss any other bills being considered by the Legislative Assembly and their potential budgetary impact on the agency.

N/A

12. Provide a one-page itemized listing of the changes your agency is requesting the committee to make to the executive recommendation.

Complying with the Executive Recommendation Budget will increase both our salary/FB and operating budgets which is needed to increase salaries to a competitive level to retain high-

performing faculty and staff. The operating budget increase will allow us to continue pay the increased operating costs that we have been experiencing over the past decade.

The SMHS has requested an increase to their General Fund HWI medical resident budget to cover increases to salary and fringe benefits and health insurance for faculty, staff and medical residents. This HWI funding has remained flat for the 2019-21 and the 2021-23 biennium, so are requesting a $795,542 increase in 2023-25 HWI funding to support a 6%/4% increase in salary and fringe costs and 15% increase in health insurance.

13. Provide a comparison of your agency's major requests to those recommended in the executive budget.

| | General Fund | GF - HWI | Total |
|---|---|---|---|
| **Base Funding** | | | |
| Base budget 2021-23 | $57,446,808 | $10,676,150 | $68,122,958 |
| Base adjustment | 1,861,841 | | 1,861,841 |
| Cost to continue salaries | 389,953 | | 389,953 |
| General Fund before Executive Proposal | 59,698,602 | 10,676,150 | 70,374,752 |
| **Adjustments in Executive Budget** | | | |
| 6%/4% Salary Increase | 3,368,540 | | 3,368,540 |
| Health Insurance Increases | 862,571 | | 862,571 |
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| Health Insurance Increases for HWI | | 162,182 | 162,182 |
| General Fund Grand Total | $70,350,013 | $11,471,692 | $81,821,706 |

14. Identify the purpose and amount of federal state fiscal recovery funding appropriated to your agency during the November 2021 special legislative session, the amount of funds spent to date, the timeline for obligating and spending the remaining funds, and any amounts that will not be obligated by December 2024.

Senate Bill No 2345 There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of $2,104,121, or so much of the sum as may be necessary, to the university of North Dakota school of medicine and health sciences for the purpose of purchasing equipment and hiring personnel to provide hyperbaric oxygen therapy for the period beginning with the effective date of this Act, and ending June 30, 2023

| Campus | Project | Appropriated Federal Fund ARPA (special session HB1505 & SB2345) | Expenditures as of 11-30-2022 | Amount of balance obligated at 12-31-24 | Estimated Expended Funds at Project Completion | Project Completion Date | 11.30.2022 Encumbrances |
|---|---|---|---|---|---|---|---|
| UND-SMHS | Hyperbaric Oxygen Therapy (SB2345) | 2,104,121 | 210,319 | 1,893,802 | 2,104,121 | 6/30/2025 | 484,953 |

15. Identify the amount of federal funding available to your agency for the 2023-25 biennium, the purpose of the funding, federal deadlines for spending the funds, and your agency's plan for spending the funds.

N/A

16. Provide additional information as necessary.

**NOTE:** These items are to be included in the initial presentation to the appropriations committee division. The division will be requesting more detailed information from the agency to be provided in subsequent meetings.

# WILLISTON STATE COLLEGE
# 2023 LEGISLATIVE PRESENTATION

# WILLISTON STATE COLLEGE
## MISSION

## "Where the People Make the Difference"

WSC exists to provide accessible, affordable, life-changing, and life-long educational pathways to residents of North Dakota, the Upper Plains, and beyond.

WILLISTON
STATE COLLEGE
STATE COLLEGE

# WILLISTON STATE COLLEGE
## ECONOMIC IMPACT

Operational and affiliated activities, auxiliary/business services, and student spending, **generated $109.1 million in total economic contributions** to the NW region and the State of North Dakota FY20 and FY21.

Revenues compared to legislative appropriations, the “return on investment” by leveraging external resources was **$2.67 for each state appropriated dollar.**

WILLISTON
STATE COLLEGE
STATE COLLEGE

# ACADEMIC & TRAINING PROGRAMS

## ASSOCIATE DEGREES & CERTIFICATES

**TRANSFER DEGREES:**

Associate in Arts & Associate in Science

**ACADEMIC DISCIPLINES:**

Accounting, Agriculture, Business Management, **Cybersecurity**, Diesel Technology, **Electronics & Industrial Controls**, Information Technology, **Internet of Things**, Massage Therapy, Nursing, Petroleum Technology & Automation, Sports and Recreation Management, Welding Technology

WILLISTON
STATE COLLEGE

# ACADEMIC & TRAINING PROGRAMS

## WORKFORCE TRAINING WITH TRAINND NORTHWEST

**TrainND Northwest:**

Started in 1999
Short-term and customized training
Over 130 training programs created

**THE NUMBERS (2010-2020)**:

Training Participants: 86,877
Companies Served: 4,209
Training Sessions: 11,439
Contact Training Hours: 1.17 million

****FY22: 11,019 total duplicated trainees**
****FY22: Revenue of $2.3 million**

WILLISTON
STATE COLLEGE

# ACADEMIC & TRAINING PROGRAMS

## WORKFORCE TRAINING WITH TRAINND NORTHWEST

**CDL & CRANE PROGRAMS:**

- $2.3 million federal grant to upgrade CDL training fleet
- Five new trucks (one hybrid)
- Providing CDL training at Dickinson State
- New Crane Equipment

**UAS & BVLOS:**

- Working with FAA and Vantis Network
- First approved BVLOS curriculum in United States
- First ever student completer in US in BVLOS

WILLISTON
STATE COLLEGE

# WILLISTON STATE COLLEGE
## INITIATIVES & OPPORTUNITIES

### Healthcare Training Expansion:

- Regional Growth Requiring Increased Healthcare
  - Williston population nearly 34,000 (#6 in size in North Dakota); projected to reach 50,000 by 2030
  - Limited healthcare available
  - Sanford Health initiative for clinic and hospital
- WSC must expand healthcare training to provide a trained workforce for regional expansion
  - Add medical programs and certifications
  - Partner with four-year institutions for advanced healthcare training in Williston region
  - Build healthcare training facility on campus of WSC (Appendix)
  - ****Letters of support from ALL regional healthcare providers for WSC expansion initiatives**

WILLISTON
STATE COLLEGE

# WSC - MEDICAL ARTS

## SOUTH ELEVATION

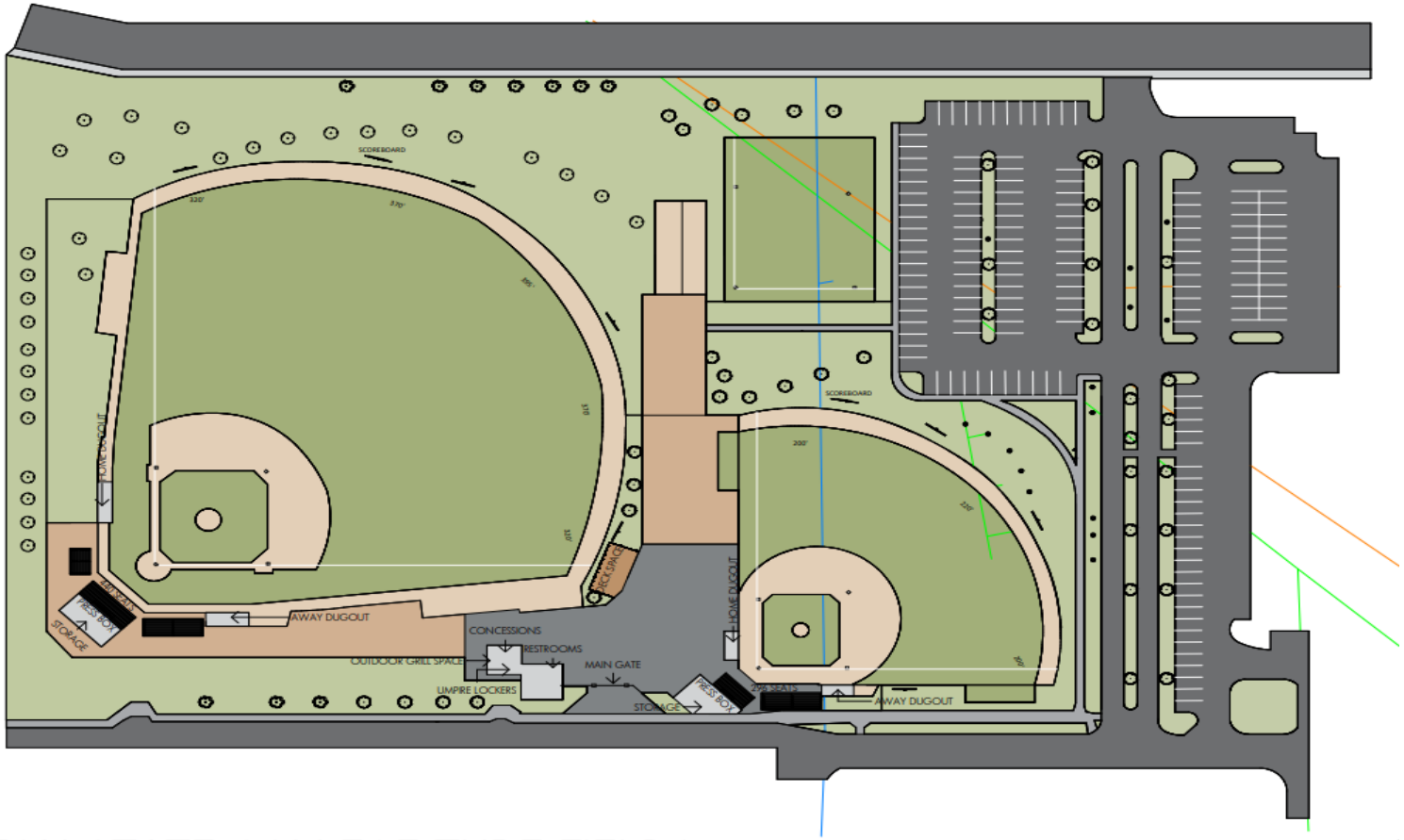
01/06/23 | JLG 22036 | © 2023 JLG ARCHITECTS

WILLISTON
STATE COLLEGE

# WILLISTON STATE COLLEGE
## INITIATIVES & OPPORTUNITIES

- Turf Project:
  - Teams travel to Montana, South Dakota and Nebraska to play in early spring
  - Community project including ten groups/organizations
  - Convert baseball & softball fields to ‘field turf’
  - Add lights, fencing, upgraded grandstands and concessions (Appendix)
  - Fields will be used by community rec. district and schools for spring, summer, and fall leagues
  - Project cost is $7.3 million (at full buildout)
  - *100% private funds
  - Needs legislative approval to proceed

WILLISTON
STATE COLLEGE




# WILLISTON STATE COLLEGE TURF FIELDS

## SITE PLAN

09/14/22 | JLG 22038 | © 2022 JLG ARCHITECTS

WILLISTON
STATE COLLEGE

# WSC PARTNERSHIPS
## COMMUNITY CONNECTIONS

- CTE expansion with McKenzie County School District and Williston High School District, in collaboration with Greater Northwest Education Cooperative CTE initiatives
- Turf Project
- Hockey Power Play group building
- Childcare Facility in cooperation with the City of Williston and Williams County (June, 2023, Opening)
- Agreement with Williston Parks & Rec for WSC students to have full access to Williston Area Recreation Center
- SBDC Shared Space with Williston Regional Economic Development
- Job Services hosts two job fairs per year at WSC (400-600 job seekers per fair)
- Williston Rotary and Boy Scouts meet at WSC
- TrainND Northwest and WSC connections with Williston Chamber of Commerce

WILLISTON
STATE COLLEGE

# WSC-NDUS PARTNERSHIPS

## COLLABORATIVE EFFORTS & SHARED SERVICES

- 2+2 program MOU's with Mayville State University, Valley City State University, Dickinson State University, Minot State University, University of North Dakota, North Dakota State University, and University of Mary
  - By June 30, 2023, approximately 30 agreements will be in place
- Dakota Digital Academy
- Dakota Nursing Program (WSC, LRSC, DCB, BSC)
- Northern Information Technology Consortium (WSC, LRSC, DCB, TMCC, MiSU)
- North Dakota Ag Consortium (WSC, DCB, LRSC)
- Shared Payroll Services (NDSU)

WILLISTON
STATE COLLEGE

# STUDENT ENROLLMENTS

## FTE (FULL-TIME EQUIVALENT) AND HEADCOUNT

**FULL-TIME EQUIVALENT (FTE)**

- Fall 2022: 646
- Fall 2021: 667
- Fall 2020: 703

**HEAD COUNT**

- Fall 2022: 924
- Fall 2021: 908
- Fall 2020: 959

**FULL-TIME EQUIVALENT (FTE)**

- Spring 2021: 647
- Spring 2020: 679
- Spring 2019: 742

**HEAD COUNT**

- Spring 2021: 1,054
- Spring 2020: 1,084
- Spring 2019: 1,189

WILLISTON
STATE COLLEGE

# STUDENT STATISTICS

## STUDENT STATISTICS FALL 2022

### ENROLLMENT (TOP 3 STATES) FALL 2022

- North Dakota - 713 (77%)
- Montana - 94 (10%)
- Texas - 9 (1%)

### STUDENT ENROLLMENT STATUS FALL 2022

- Full Time Students - 514 (56%)
- Part Time Students - 410 (44%)
- Early Entry Students - 265 (29%)

### COURSE DELIVERY METHODS Fall 2022

- In-person – 186 courses (60%)
- Online – 97 courses (31%)
- Hybrid/Blended – 17 courses (5%)
- Interactive Video – 11 courses (4%)

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# WILLISTON STATE COLLEGE
## SCHOLARSHIP PROGRAMS FROM WSC FOUNDATION

- **Over 70 different scholarship ‘buckets’ totaling $3.6 million for full current academic year**

- **Regional Scholarship Modifications in Fall, 2022:**
  - 100% tuition & fees covered for two full years
  - 53 counties (26 in western ND & 27 in eastern MT)
  - Includes part-time students to capture (early-entry, dual-credit, and working professionals)
  - Includes fully online students
  - Includes graduates from any time, no longer only current graduates

- **Challenge Grant Matching Funds:**
  - WSC Foundation claimed entire allotment for WSC for current biennium
  - Used to upgrade equipment in Nursing program

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# AUDIT FINDINGS
## AUDIT UPDATES

- **Inadequate monthly bank reconciliation statements**
- **Improper awarding and approval of scholarships**
- **Not following state procurement rules**

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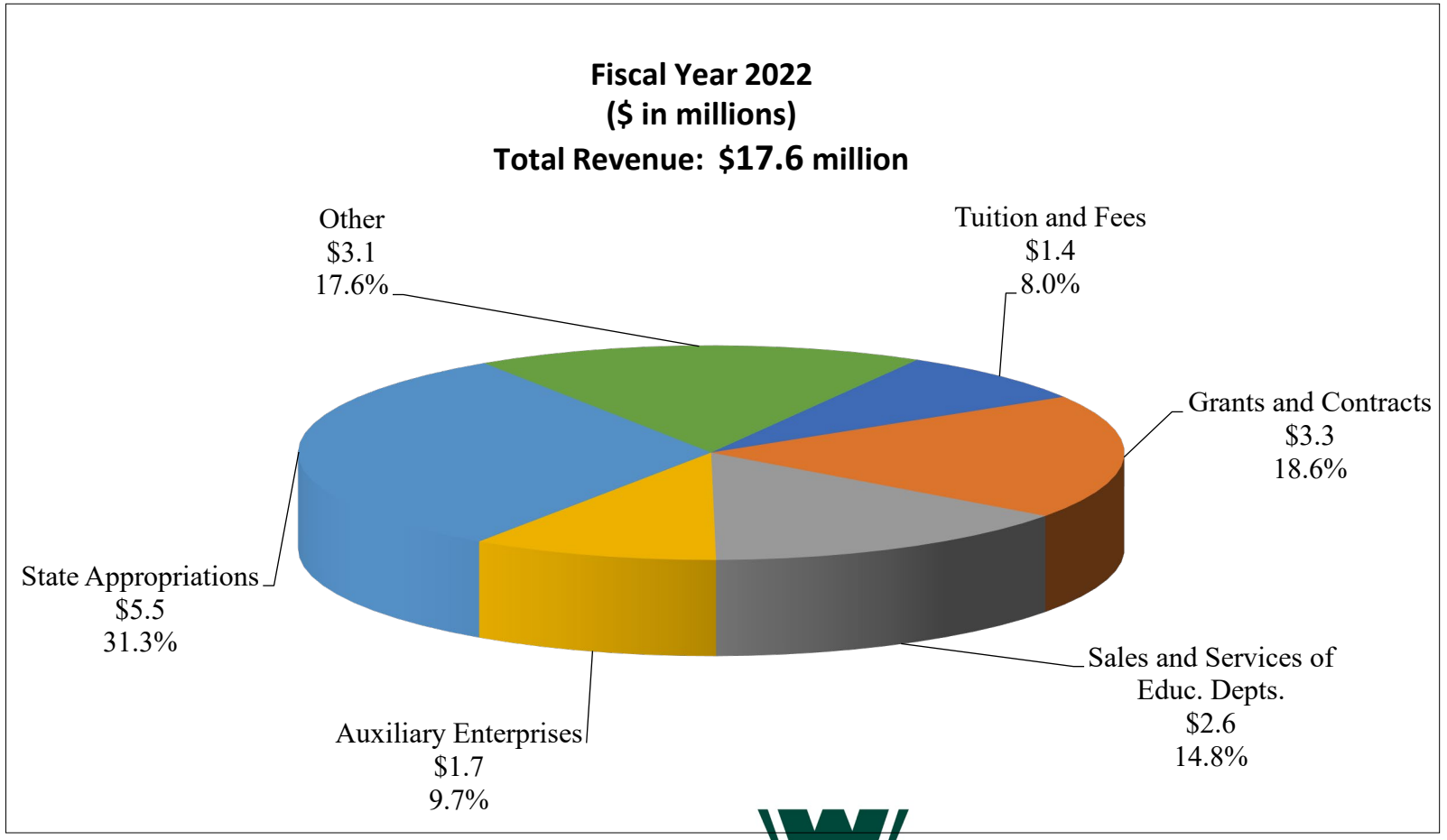
STATE COLLEGE

# WILLISTON STATE COLLEGE

## TOTAL REVENUE, EXCLUDING CAPITAL




Source: Audited NDUS Financial Statements, June 30, 2022

Sales and services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are TrainND ($2.3 million) and ticket sales for athletic events. Other revenue reflects Foundation support for Tuition and Fees scholarships.

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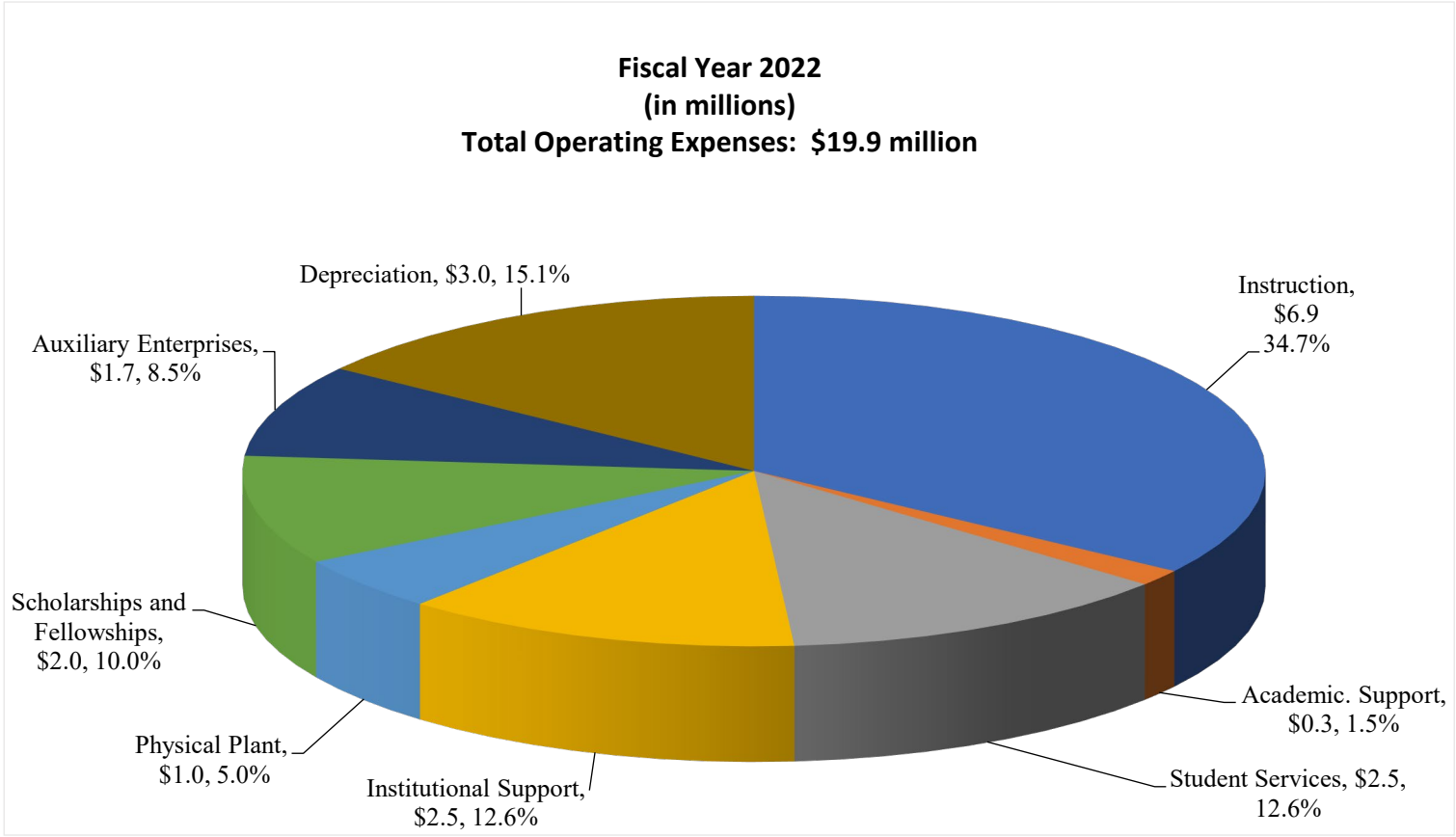
STATE COLLEGE

# WILLISTON STATE COLLEGE

## OPERATING EXPENSES BY FUNCTION EXCLUDING CAPITAL & NON-OPERATING




Source: Audited NDUS Financial Statements, June 30, 2022

WILLISTON STATE COLLEGE

The **instructional function** includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. **Academic support** includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. **Student services** include offices that provide a specific service to students, including career services, registration, admission and counseling**. Institutional support** includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The **physical plant function** includes upkeep, maintenance and utilities for campus facilities. **Scholarships and fellowships** include aid provided to students. **Auxiliary enterprises** are the self-supporting activities of the campuses, such as bookstore, food service and housing. **Depreciation** represents the non-cash expense of capitalized assets over time. **Public service** includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The **Research function** is activities specifically organized to produce research.

# WILLISTON STATE COLLEGE

## 2023-25 GENERAL FUND BUDGET REQUEST

| | WSC Request | Executive Recommendation | Variance from NDUS Request |
|---|---|---|---|
| 2021-23 Original General Fund Appropriation | $ 11,286,737 | $ 11,286,737 | $ - |
| Costs to Continue Salaries | 57,105 | 57,105 | - |
| Funding Formula - SCH Production Changes | 137,487 | 137,487 | - |
| Student Mental Health Initiative | 169,140 | - | (169,140) |
| Medical Healthcare Building | 26,600,000 | | (26,600,000) |
| Compensation Package (6%-1st yr./4%-2nd yr & State paid Health Ins.) | | 765,896 | 765,896 |
| | $38,250,469 | $ 12,247,225 | $ (26,003,244) |

WILLISTON
STATE COLLEGE

# WILLISTON STATE COLLEGE

## STAFFING PROFILE FISCAL YEAR 2023

- Full Time Faculty and Staff - 99
- Full Time Faculty - 29
- Part Time Adjunct Faculty - 25
- Full Time Staff - 70 (including contract trainers w/ TrainND)

**In Fall 2022**: 17/29 (58%) of Full Time Faculty took on overload teaching assignments in addition to their full-time teaching load of 15 credits.

At the beginning of the 2015 biennium session, Williston State College staffed 110 FTE's in its operations, including TrainND.

WILLISTON
STATE COLLEGE

# LEGISLATIVE REQUEST

## 2023-2025 BIENNIUM (PRIORITY #1)

**Williston State College respectfully requests legislative consideration in two areas critical to the success of the college moving forward:**

1.) Pay Increase, Inflationary Increase, and Health Premium Increase fully funded in General Fund:

Any pay increases, inflationary increases, and/or healthcare premium increases optimally should be fully funded in the general fund as WSC doesn't have the monies in reserve to cover any part of these increases that aren't absorbed in general fund appropriations. (Escalating operating costs…)

WILLISTON
STATE COLLEGE

# LEGISLATIVE REQUEST

## 2023-2025 BIENNIUM (PRIORITY #2)

**Williston State College respectfully requests legislative consideration in two areas critical to the success of the college moving forward:**

2.) Healthcare Training Facility (Capitol Project Request)

With the growth of Williston to become the sixth largest city in ND (34,000 pop.), and the movement in Williston to become a healthcare hub of the region, there is the need to expand healthcare training in the region. WSC is respectfully requesting $26.6 million in state appropriations, while bringing $10 million (27.3% of total cost) to the project in private donations, to build a healthcare training center on the WSC Campus. The center would expand WSC healthcare programs, while also bringing four-year completion programs to the region from the other six, four-year universities in the NDUS. The project has support from every regional healthcare provider in northwest ND and eastern MT. It would meet Governor Burgum's desire to expand workforce training in the State of ND by providing the trained healthcare workforce needed for northwest ND to continue its growth and the important healthcare services needed to serve such growth.

WILLISTON
STATE COLLEGE

# THANK YOU…QUESTIONS?

**Dr. Bernell Hirning, President |** bernell.hirning@willistonstate.edu

Ms. Krista Lambrecht, VP Business Services; krista.lambrecht@willistonstate.edu;

WILLISTON
STATE COLLEGE

# APPENDICES

WILLISTON
STATE COLLEGE

# WILLISTON STATE COLLEGE

## MEDICAL ARTS BUILDING
## FLOOR PLANS

NORTH DAKOTA STATE LEGISLATURE

JANUARY, 2023

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WILLISTON
STATE COLLEGE

# WSC - MEDICAL ARTS

## ENTRY

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STATE COLLEGE

# WSC - MEDICAL ARTS

## SOUTH ELEVATION

01/06/23 | JLG 22036 | © 2023 JLG ARCHITECTS

WILLISTON
STATE COLLEGE

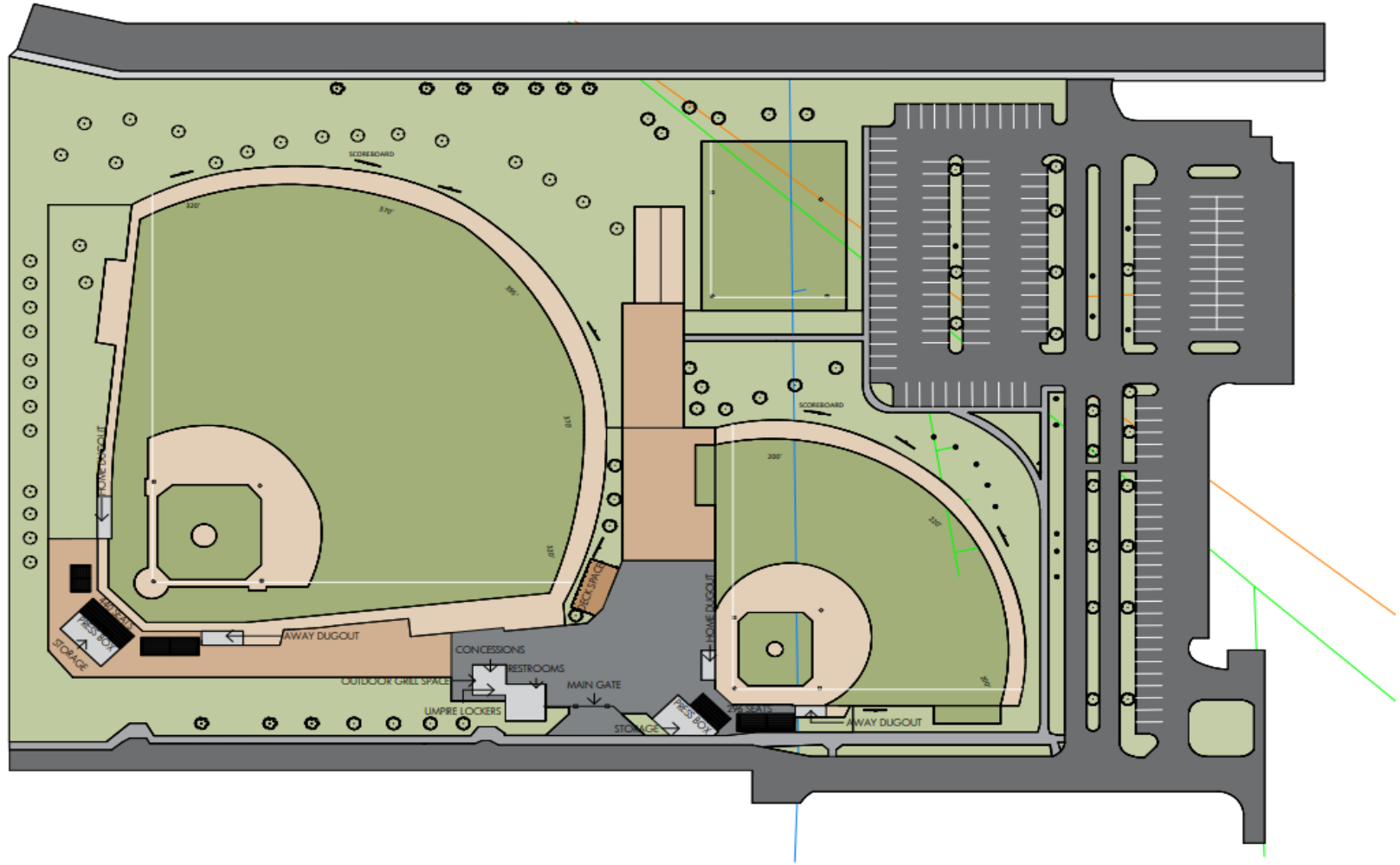
# WILLISTON STATE COLLEGE

## TURF FIELDS
## (BASEBALL & SOFTBALL)
## SITE PLAN

NORTH DAKOTA STATE LEGISLATURE

JANUARY, 2023

WILLISTON
STATE COLLEGE




# WILLISTON STATE COLLEGE TURF FIELDS

## SITE PLAN

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WILLISTON
STATE COLLEGE

WILLISTON
STATE COLLEGE

VALLEY CITY STATE UNIVERSITY

# HOUSE APPROPRIATIONS COMMITTEE

WEDNESDAY, JANUARY 11, 2023

DR. ALAN LAFAVE, PRESIDENT

## Testimony to the House Appropriations Committee

## January 11, 2023

Chair Nathe and members of the committee;
I am Dr. Alan LaFave, and I'm proud to be
President of Valley City State University.

Thank you for the opportunity to present today.

# Mission

Valley City State University is a public, regional university offering exceptional programs in an active, learner-centered community that promotes meaningful scholarship, ethical service, and the skilled use of technology.

As an important knowledge resource, the university offers programs and outreach that enrich the quality of life in North Dakota and beyond.

Through flexible, accessible, and innovative baccalaureate and master's programs, VCSU prepares students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

VALLEY CITY STATE UNIVERSITY

**The Mission of Valley City State University**

Our mission is three-pronged.

Valley City State University is a public, regional university offering exceptional programs in an active, learner-centered community that promotes meaningful scholarship, ethical service, and the skilled use of technology.

As an important knowledge resource, the university offers programs and outreach that enrich the quality of life in North Dakota and beyond.

Through flexible, accessible, and innovative baccalaureate and master's programs, VCSU prepares students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

Our entire team takes this mission very seriously. Our team includes 196 full-time faculty and staff. We have an average of 10.4 years of service across the campus.

I am incredibly proud of the team we have at VCSU. They are dedicated and student focused. You can see the fruits of their labor in our numerous accolades and student satisfaction survey data.

# 133 years of quality educational experiences

- 65 Undergraduate programs and three Graduate degrees
- 11:1 student-to-faculty ratio
- Ranked "Best Colleges" for 25 consecutive years by U.S. News
- "Most Beautiful Campus in North Dakota" by Buzzfeed
- National Register of Historic Places
- Capital campaign underway

## The Work of Valley City State University

VCSU was founded in 1890 as a normal school. We have been known as one of the best teacher preparation schools in the country for more than 100 years.

In addition to our teacher education programs, VCSU has a wide-variety of other programs. From Business to History, Computer Science, Software Engineering, Arts, Communications, Strength and Conditioning, Spanish and Music, we have 65 programs for students to choose from.

VCSU also offers multiple graduate degree options for teaching, and a Master of Science degree in Business Information Systems.

VCSU enhances the learning experience for our students by providing every full-time, on-campus students with their own laptop, and classrooms equipped with the latest educational tools.

Our faculty to student ratio is 11 to 1, offering a very personalized learning experience to help students succeed. Graduates and current students point to this as a highlight of their experience, the close and meaningful relationships they create with faculty and staff.

Our 55-acre campus was listed in 2017 by BuzzFeed as the “most beautiful college campus in North Dakota. To our south is a forested hillside and on the north, the beautiful Sheyenne River. The campus is listed on the National Register of Historic Places as a Historic District.

Finally, in 2020 we officially launched the Forward Together Capital Campaign. It is the first-ever capital campaign for VCSU and the effort is working on raising $25 million.

## Our Vision

As an innovative university, we deliver distinctive, learner-centered experiences.

## What Drives Us?

- Student-centered environment
- High-quality, career-ready experience
- Dedicated faculty and staff
- Supportive alumni and community
- Innovative attitude
- The need for continued investment in our people and historic infrastructure

VALLEY CITY STATE UNIVERSITY

**Our Driving Forces – We All Row**

VCSU has a very clear vision.

As an innovative university, we deliver distinctive, learner-centered experiences.

We strive to make our campus, and all learning environments, focused on student success.

We focus on ensuring every educational experience is of the highest-quality and helps graduates become career ready. This is only possible through the dedication of our high-quality staff and faculty. Faculty and staff help students make multiple connections with the real world, and future employers.

Our success is also a result of a very supportive alumni base. We are incredibly lucky to have so many engaged and committed alumni who support current students through scholarships, internship locations and being brand ambassadors for the university.

We have always been an innovative campus. From our early days of incorporating a lab school for teacher preparation to being the first in North Dakota to have laptop computers for every student, we strive to stay on the cutting edge.

In fact, we were second in the nation in providing laptops for our students.

**Key Takeaways**

I would like to thank you for your past and ongoing support of our institution. We appreciate the care and effort you put into helping our state run efficiently.

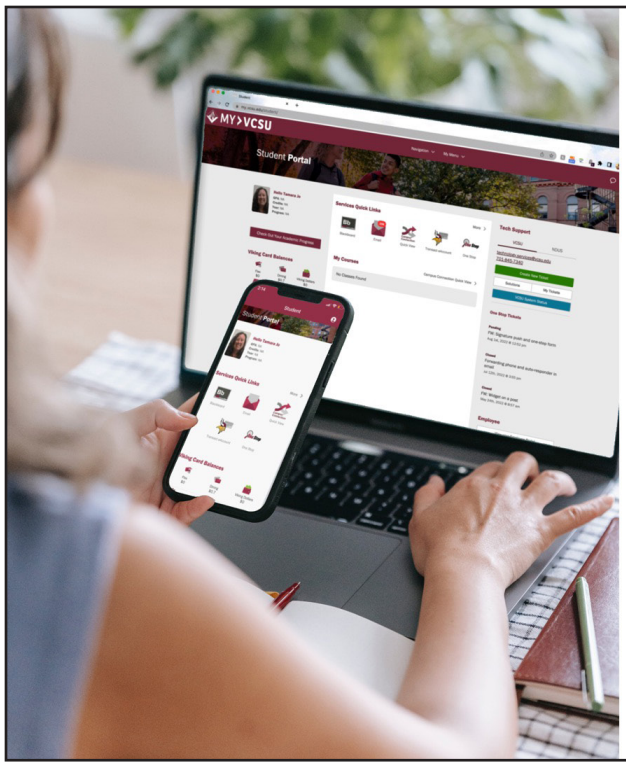
Today we are going to focus on a few key components. I'll provide an overview of our university and some of the most important data points.

I'd like to start with some of the most important take away pieces.

First, VCSU firmly supports the NDUS needs-based budget request. We have been working hand-in-hand with the system office to ensure the most critical items facing our campus. We are in support of the 6 and 4 salary request, recommended by the executive budget, to ensure we can retain high-quality faculty and staff on our campus.

In addition to investing in our team, we support the investment in scholarship support for our students. There is a clear link between scholarship support and enrollment. Your continued support for the Challenge Grant, and the substantial support from our donors, has made this one of the most important programs on our campus. Since the inception of the Challenge Grant, VCSU has raised $8 million which qualified for a match from this body of $3.75 million. In total, there has been $11.7 million raised and matched scholarships through the Challenge Grant.

Finally, VCSU has two specific priorities I will mention. We are working to provide a high-quality environment for our School of Education and hope to renovate an existing historic building, McCarthy Hall, to this end. Secondly, the wellbeing of our student population is a top priority. VCSU supports the NDUS Behavioral Health initiative to improve access to counseling services and other mental health support.




# Recent Achievements

- Successful HLC reaccreditation with no areas of concern
- $600,000 Department of Public Instruction Teacher Shortage grant
- New Master of Science in Business Information Systems
- Viking Mobile ID allows student ID on phone (1st in NDUS)
- myVCSU App (1st in NDUS)
- New strategic plan developed and launched
- Opened the Center for the Arts on time and within budget

## Recent Achievements

We have had multiple exciting things happen during the past months at VCSU. I will touch on just a few of them.

Last year we were reaccredited by the Higher Learning Commission. All criteria were met with no concerns. The reviewers noted that VCSU has a “healthy, forward-looking culture that uses evidence of institutional and program effectiveness to inform decisions and to make improvements.” This was a significant achievement. The HLC accreditation process provides a comprehensive review of the entire campus and assures quality by verifying that we meet standards and are engaged in continuous improvement. This was a proud moment for our entire institution.

VCSU also received a $600k grant to address teacher shortages. The grant will fund the VCSU Grow Your Own Scholarship Program. This program offers scholarships to individuals aspiring to become a licensed teacher in North Dakota. It is specifically designed for paraprofessionals and substitute teachers working in North Dakota school districts.

Our new Masters of Science in Business Information Systems was launched. This program combines various computer systems skills with software training in Sales Force and other critical business applications. This degree will provide well-equipped employees ready to step into the workforce with advanced business and IT knowledge. It is important to note that this program was developed as a result of a partnership with local community workforce needs.

The Viking Mobile ID was offered early this year. This is an innovative solution using readily-available technology in a different way. Daily occurances students need their ID cards for, including access to residence halls, dining, copy services and Viking dollars, are all available via a mobile device now. Not only is it safer, but it also is more convenient.

Our myVCSU app provides a secure way for students and employees to access items like Campus Connection and Blackboard through a single-sign on service with multi-factor authentication. This app makes it easier to access important campus services, and VCSU was the first North Dakota institution to launch a mobile app like this for our campus.

Within the last year, our campus developed and launched a visionary strategic plan. The plan was developed with input from faculty, staff and students. The plan has data-driven goals and will create exciting new opportunities for our students.

Finally, last spring we facilitated the opening of the Center for the Arts on our campus. Our team managed the construction of this building on time and within budget and it is a wonderful facility that improves the student experience on campus as well as providing a critical avenue for relationships with the Valley City and Barnes County community. To date, we estimate about 1,200 high school students have come to campus for an activity in the CFA. It has become a wonderful part of our campus.

## Accreditations

I'd like to highlight our accreditation. With the rising cost of education it is important to our students that the education they are receiving is valuable and vetted. As I mentioned before, we recently received our reaccreditation by the Higher Learning Commission. We have several program-specific accreditations as well including the

Council for Accreditation of Educator Preparation (CAEP)

National Association of Schools of Music (NASM)

These accreditations prove that our educational experiences in multiple disciplines are of the highest quality. These are typically reviewed every seven to ten years with various reviews and checks within those time frames.

# National Recognition

- Top 'Public Regional Colleges in the Midwest' in North Dakota by U.S. News and World Report in 2023
  - Ranked as a Best Value Schools and Top Performer on Social Mobility
  - U.S. News 'Best Colleges' for 25 consecutive years
- Top-ranked Elementary Education program in the nation by Study.com in 2021
- Best North Dakota college for Cost & Financing by Wallet Hub
- Top 25 "Most Affordable Online Bachelor's Degrees" by OnlineU
- "Best in the Midwest" as listed by Intelligent.com
- Top regional university in North Dakota as listed by EdSmart.com

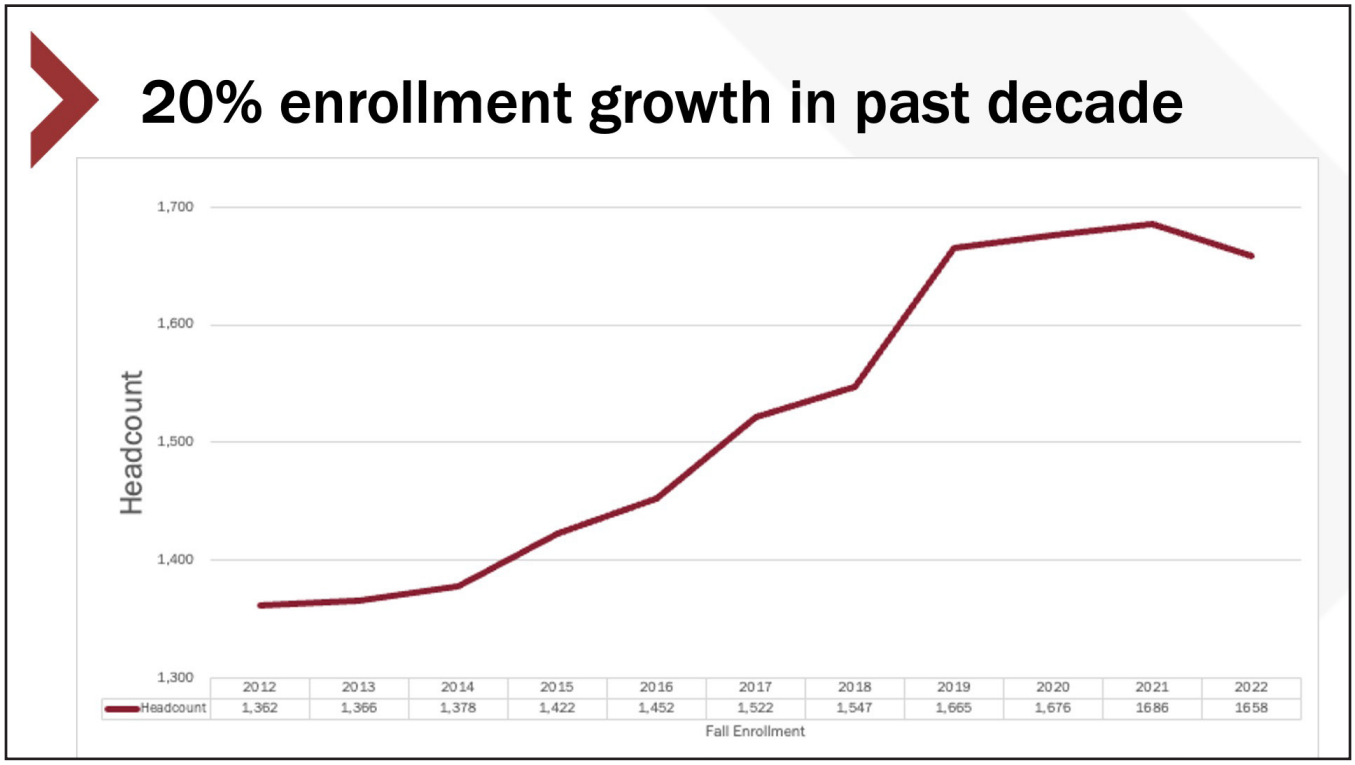
VALLEY CITY STATE UNIVERSITY

## Nationally Recognized

Another mark of quality for VCSU is our quarter of a century long ranking as a Best College with U.S. News and World Report. This is one of the most reputable college rankings that is published every year. This year in particular we were ranked as the top regional public college in North Dakota and a Best Value School. We were one of only two public colleges ranked and the top public school on the list. This ranking continues to attract high-quality students and be an important marker for families as they compare secondary education options.

I will mention it many times today, but our School of Education is really a shining jewel in the Midwest and nationally for producing high-quality teachers. Recently we were recognized by Study.com as having the best elementary education program in the nation. We've known our education program is top notch, but we also have the numbers to prove it. Our alumni are working in 359 schools in North Dakota alone and make a difference in the lives of students every day.

We know the education provided at VCSU is high-quality, but it is also noted for being affordable. Late last year, Wallet Hub ranked VCSU as the best college in North Dakota in terms of cost and financing. We were lauded by OnlineU as having one of the most affordable online bachelor's degrees. Our affordability ensures that education is accessible to all learners, regardless of economic background.

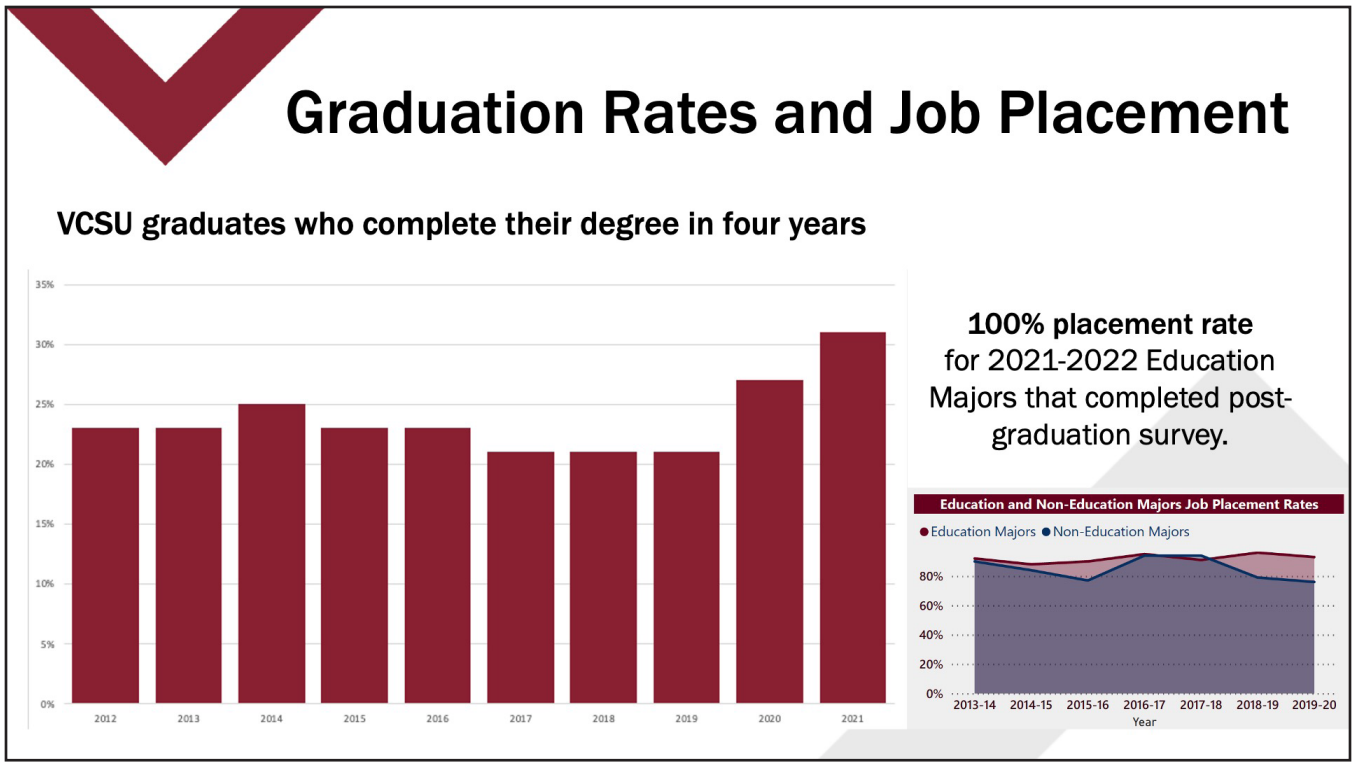



## Enrollment Growth

Contrary to national trends, our enrollment numbers are steady. We had a slight dip last fall by about 20 students, somewhat caused by a smaller junior class, but our fall 2023 numbers are looking steady and solid. Our team tirelessly recruits quality and diverse students. You can feel that energy the moment you step on to campus. I may be biased, but I think VCSU has some of the best students I have ever had the privilege of working with during my time in higher education.

Occupancy in residence halls continues to be strong, especially after adjustments were made to rate lock costs for students. We now ensure students who stay on campus, have the option to pay the rate they paid their first year, all four years. This has been an excellent recruiting and retention tool and is a positive cost-saving approach for them as well.

Enrollment growth has been a sign for us that we are offering programs students are interested in, and programs with strong post graduation job potential.



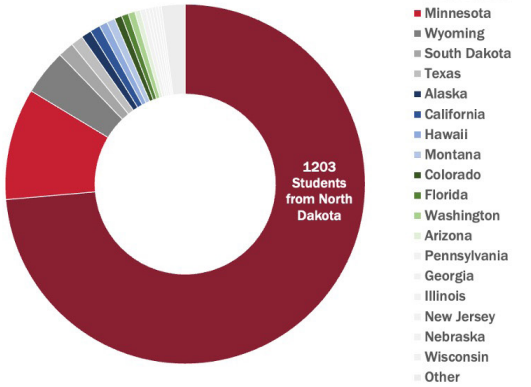

## Jobs Prior to Graduation

Another metric we are proud of at VCSU is our graduation and placement rate. We lead the regional colleges in North Dakota with our four year completion rate. Our focus with students is ensuring they have quality advisors who can guide them to complete their degree on time. Planning and advising helps our students get the courses and experience they need while also getting the most out of their entire VCSU experience.

After graduation, we want to make sure our alumni have multiple job opportunities. Last spring, as I was shaking hands with graduates as they walked across the stage at graduation, I was well aware that many already had accepted job offers across our state and nation. I'll specifically mention education in regards to placement. Last year, 100% of our education majors who responded to the post-graduation survey had a job that fall.

With a hands-on career services office, our students are able to get real world experience and opportunities they may not have had access to prior to coming to VCSU.

## 73% of our students are from North Dakota



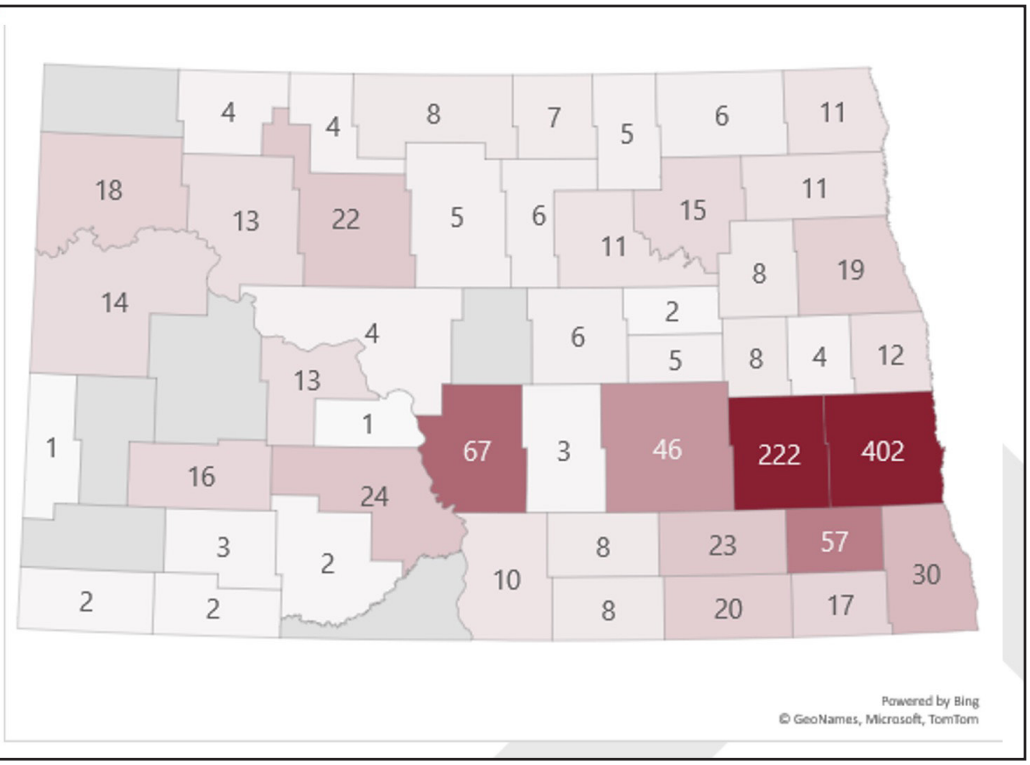
### Serving our State

It's clear from our enrollment that we have a stellar reputation statewide and we are meeting a critical need for our state.

Our location off I-94 between Fargo and Bismarck, our small campus size and welcoming community provide students the opportunity to receive a solid education in a picturesque North Dakota setting. 73% of our students are from across the state of North Dakota. Our campus is a safe, welcoming place for students to thrive socially, athletically and academically. Once they complete their degree, our students typically stay and join the workforce here.

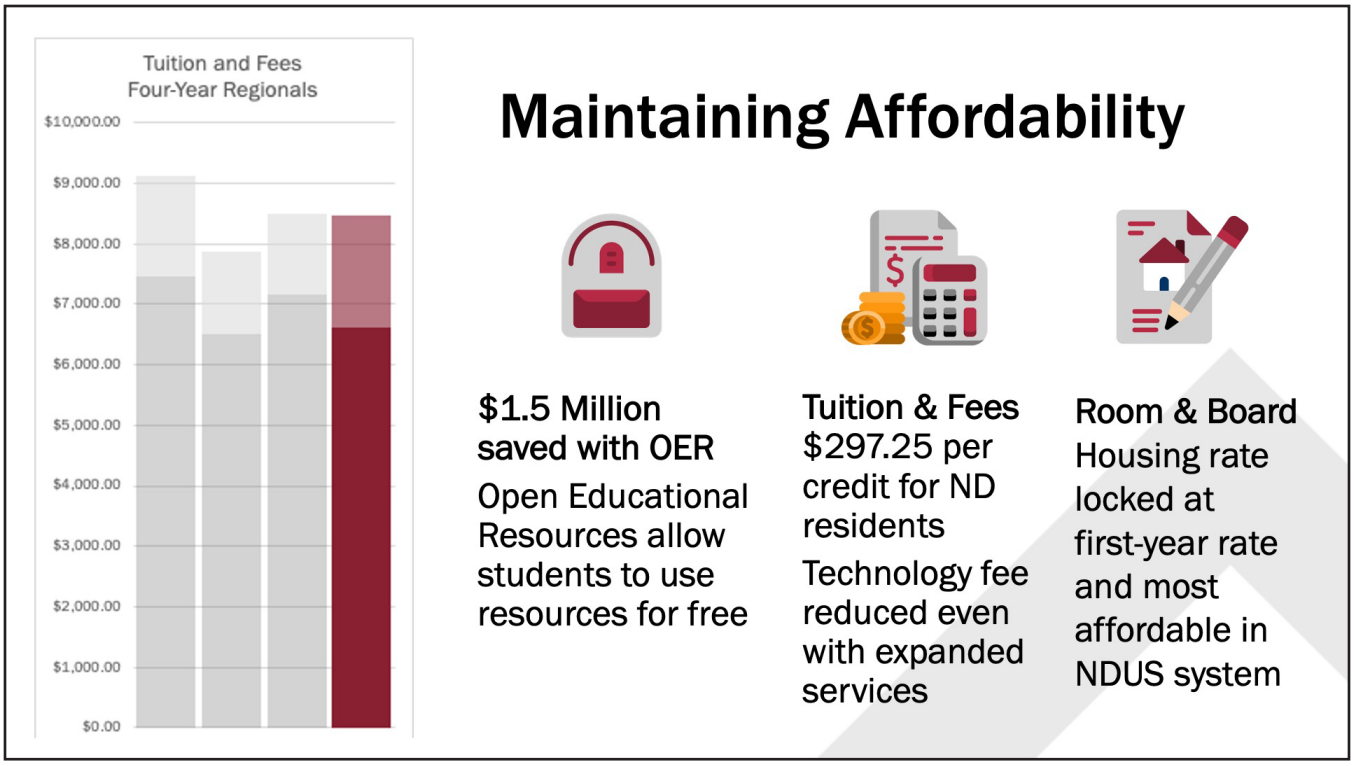
We also have students from 44 states and eight countries that call VCSU their educational home. Many enjoy the charm of our campus and positive pieces about living in our state. Many who graduate choose to stay and continue living in our state.

# Students by Home County




## Students from East to West

The majority of our students are from Cass and Barnes counties. This makes sense given our location, but we have students from across the state. From Bowman County to Pembina County and everything in between, our students have a wide-variety of backgrounds. Our students make the trip to Valley City for many reasons, but they all eventually enroll and find their home as a Viking.



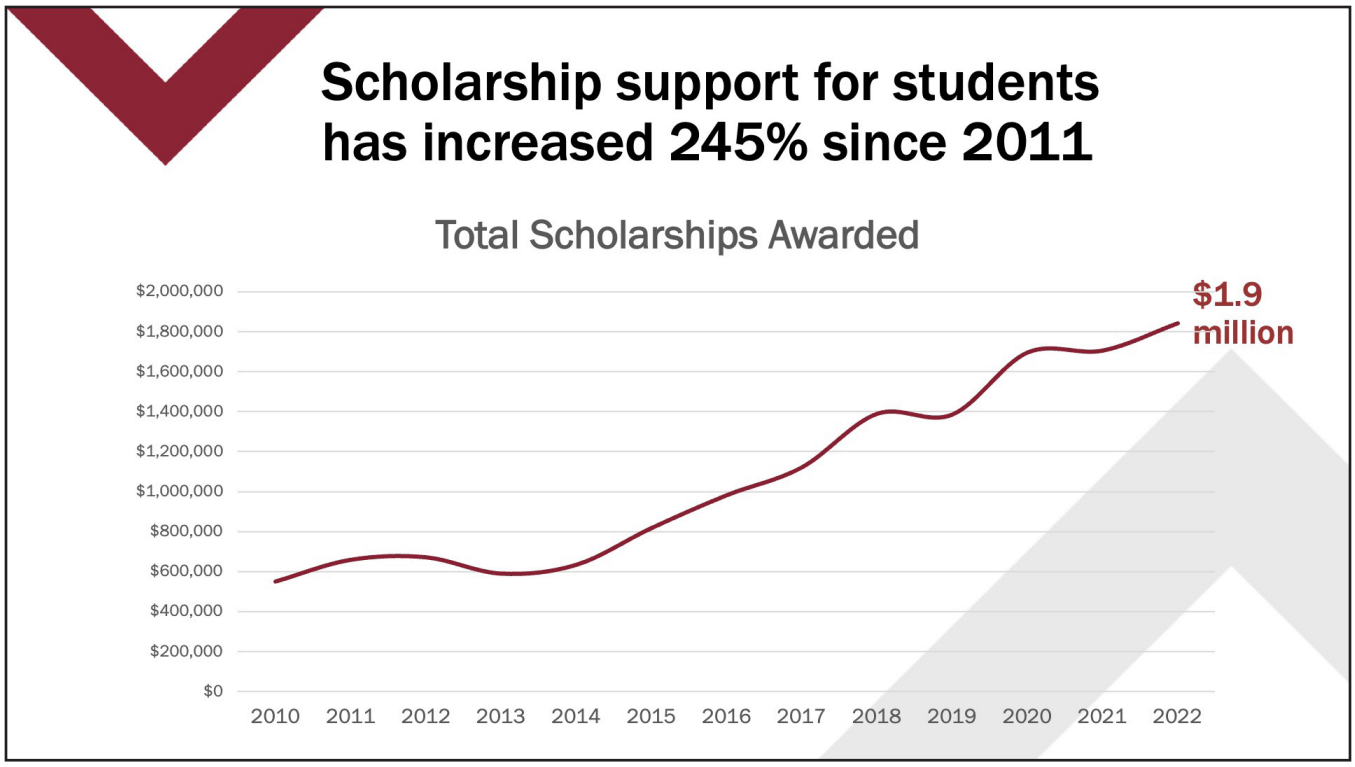

## Ensuring Education is Affordable

One of the most important topics on our radar is maintaining affordability for our students. We are committed to ensuring every student has access to a high-quality experience at a rate they can afford. Our tuition and fees are among the lowest of the four-year regional colleges.

Some ways that we are committed to doing this include using Open Educational Resources. Our campus is proud of our use of OERs, and the fact that it has saved our students $1.5 million since 2013 is a feather in our cap. These are online resources that students download including textbooks and learning materials for their courses.

Our tuition and fees are just under $300/credit for North Dakota residents. In fact, our technology fee today is less, in real dollars, than it was the year that the laptop initiative began. We still provide laptops for every full-time student and offer a wide variety of additional technology resources. This is an example of our work to curb costs by operating efficiently.

We have also locked the rate for housing in for students at the price for student housing at the rate they pay their first year on campus. This has been a great retention tool, and having that guarantee for those students is a stabilizing and encouraging piece for them to continue their education.




## Scholarship Support is Crucial

There is a definite connection between student financial support and our continued growth.

Often I asked how we have continued enrollment success. Clearly there is a a link between scholarship support and enrollment. Our VCSU Foundation has been tremendous in helping our students attain their degrees by providing increasing scholarship support. This year, they allocated $1.86 million in scholarship assistance, up from $1.723 million the previous year.

In 2011, we awarded just over $550,000 in annual scholarships. That number rose to just over $1.9 million this past year. The escalation was due in large measure by increasing our scholarship values to the highest in the region and by making those scholarships renewable to incoming students. That is a 245% percent increase in scholarships over that period with stated goals of growing enrollment through offering 90% of our incoming freshmen a scholarship; offering 80% of those renewable scholarships.

The following points confirm that we are fulfilling our financial commitment to our students:

Our students graduate accumulating less debt than our regional counterparts.

We currently offer the most substantial scholarship program per merit in our region.

In the last 10 years we have substantially grown our scholarship offerings by over 245%.

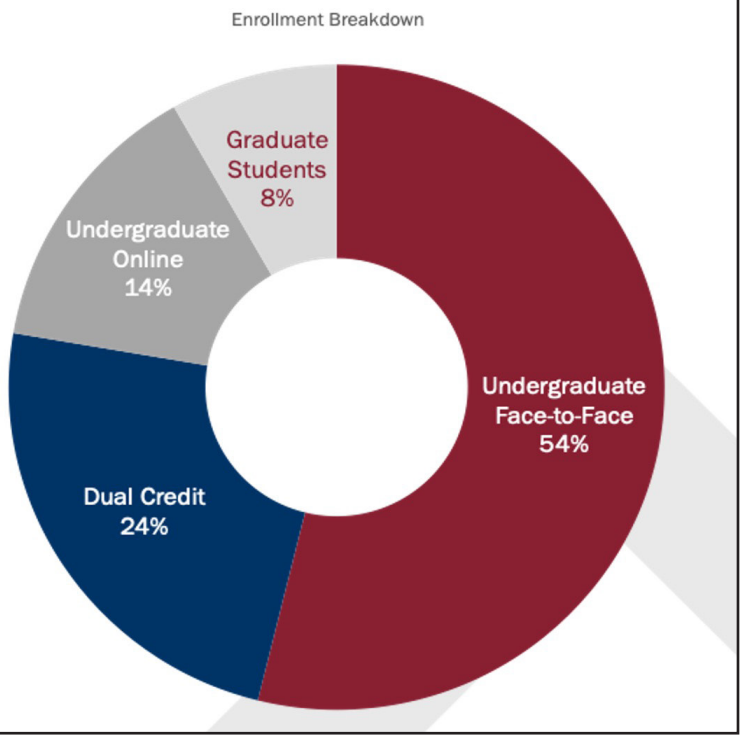
Since 2013 we have increased our endowment by $11.7 million through the ND Challenge Grant.

We are committed to the same allocation for 2022-23 despite a downward market trend.

The Foundation Office focus will always work on improving our position to help VCSU attract and retain a growing population of students while also providing a quality experience for our alumni, friends, campus and community.

# Meeting Students Where They Are

***Fall 2022 Enrollment Overview***




## Overview of our Students

Like most universities, we are working hard to respond to student needs and preferences in regards to education delivery. As you can see in this chart, we have a majority of students who are undergraduate face-to-face students. This number reflects the continued desire by many students for a “traditional” college experience including living in residence halls and participating in many on-campus activities.

In addition to our on-campus students, we have seen an increased interest in high school students completing VCSU courses before they receive their high school diploma. Dual credit offerings often help students complete general education courses and allow them to earn those credits early. For some, this means they can complete a bachelor’s degree in three years and join the workforce earlier than would otherwise be possible.

Many of our students are taking their classes in an online environment. I’d like to mention the importance of these offerings, specifically as it pertains to our graduate programs. We offer multiple graduate degrees online that focus on education. We have a Masters of Education Program with various concentrations including Elementary Education, Library and Information Technologies, Teaching English Language Learners and more. These courses allow individuals who are actively teaching to continue their education, earn a masters degree and move up in salary structures. This is an important offering in regards to retaining the teaching workforce in our state.

## Satisfied Students

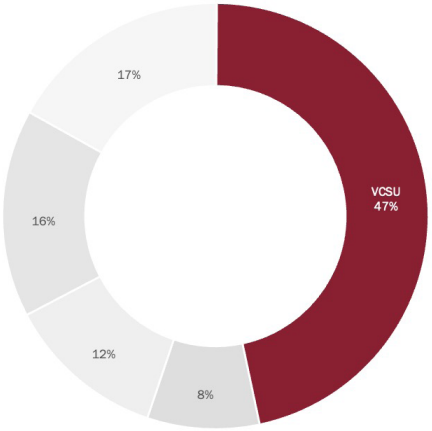
Regardless of delivery type or location, our primary focus is our students. On this slide, you can see Saige Forseth of Hillsboro, ND. Saige is a shining example of an engaged student. She is involved in Student Senate and an excellent softball player. She also is studying elementary education and dreams of one day becoming a high school principal.

Saige's story helps remind us why this work is so important. Our why is founded in our mission, to prepare students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

Since 2002, VCSU has conducted the Student Satisfaction Inventory (SSI) during even-numbered spring semesters for our face-to-face students. VCSU has consistently been rated positively by our student population, and in 2022 we scored above the other schools nationally and in the Midwest again. We also receive a snapshot from the National Survey of Student Engagement (NSSE). In the most recent NSSE report, 91% of our seniors reported that their experience at VCSU contributed to their knowledge, skills and personal development in thinking critically and 82% in acquiring job knowledge and skill.

# Leader in Teacher Education

146 education graduates last year, VCSU has more education graduates than any other North Dakota college or university




Elementary Education and Teaching degrees conferred by school during 2021-2022

## Leading Teacher Education in North Dakota since 1890

VCSU's School of Education is an important part of our campus and I'd like to focus specifically on this area of expertise.

Last year, VCSU graduated 114 Elementary Education teachers, 31 in secondary content areas.

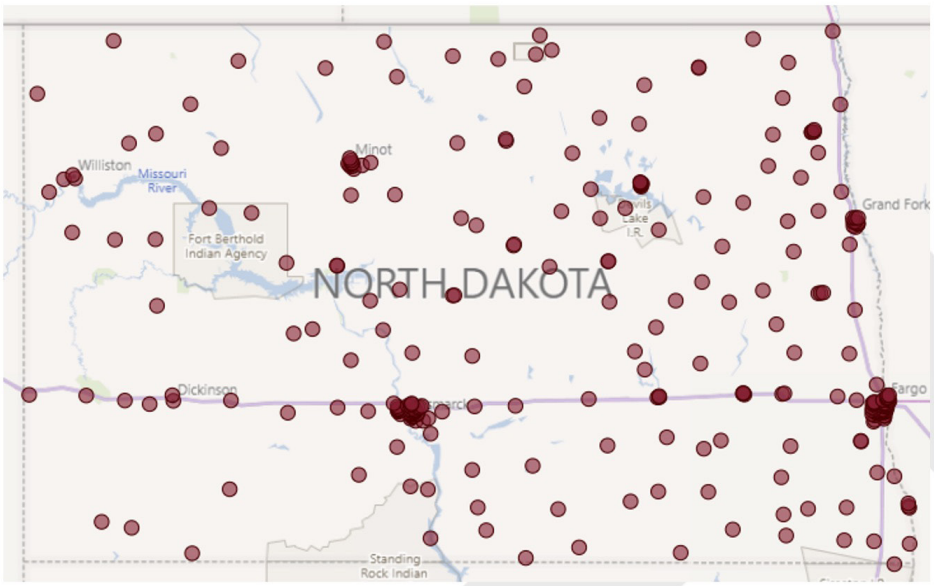
Our students are not only well-prepared for the classroom but prepared for certification exams as well. Teacher Education candidates are required to complete and pass content and pedagogy examinations for graduation and teacher licensure, such as the Praxis II test. Since Praxis II testing requirements for licensure began in 2006, 95% of all VCSU education graduates have passed the content exams and 96% have passed the pedagogy exams. Recent data released by the National Council on Teacher Quality (NCTQ) shows that Valley City State University (VCSU) continues to be a leader in preparing the next generation of teachers, including helping students of color achieve success.

VCSU has helped 48 individuals earn their Master of Arts in teaching since the fall of 2017. These are individuals who were not teachers, but working in the field and made the choice to return to school to become a teacher.

In September of this year we received a $600,000 grant to help address the teacher shortage. These funds will be used to help connect those working as substitute teachers or para professionals in North Dakota schools with our online education program so they can become full-time licensed teachers. Our School of Education is working on plans to offer that widely across the state given the enthusiastic response we have received for the program so far.

# Alumni Teaching Across North Dakota

1,514 VCSU alumni are teachers and administrators at 359 schools serving in 151 North Dakota communities




## Alumni Across North Dakota and the United States

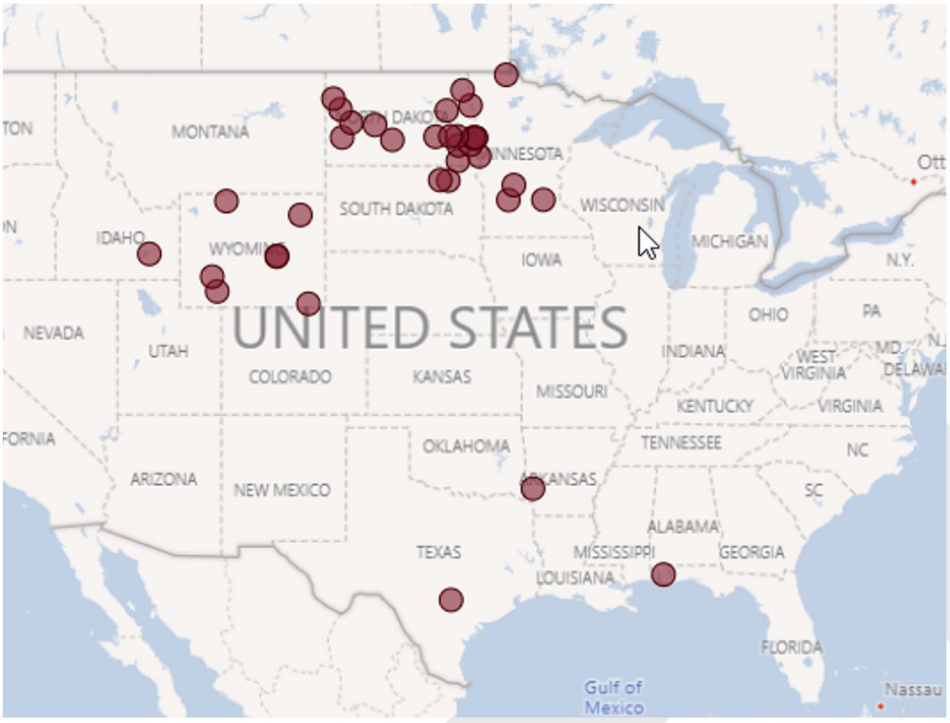
It is hard to find a North Dakota school that does not have at least one VCSU graduate working with students. From teachers to administrators, coaches, counselors and more, our alumni are making a huge difference in the future of North Dakota. Not only are VCSU alumni filling a critical workforce need in our state, but they are also shaping our future workforce.

This year alone, 1,514 VCSU alumni are teaching in 359 different schools in 151 different communities. To break that number down even further, 243 of these alumni have a master's degree from VCSU. 83 of these individuals have an undergraduate and graduate degree from VCSU.

VCSU's educational programs continue to make a huge impact on the teaching workforce of our state.

# Student Teacher Placement

***2021-2022 Locations***




## Student Teaching to Strengthen Success

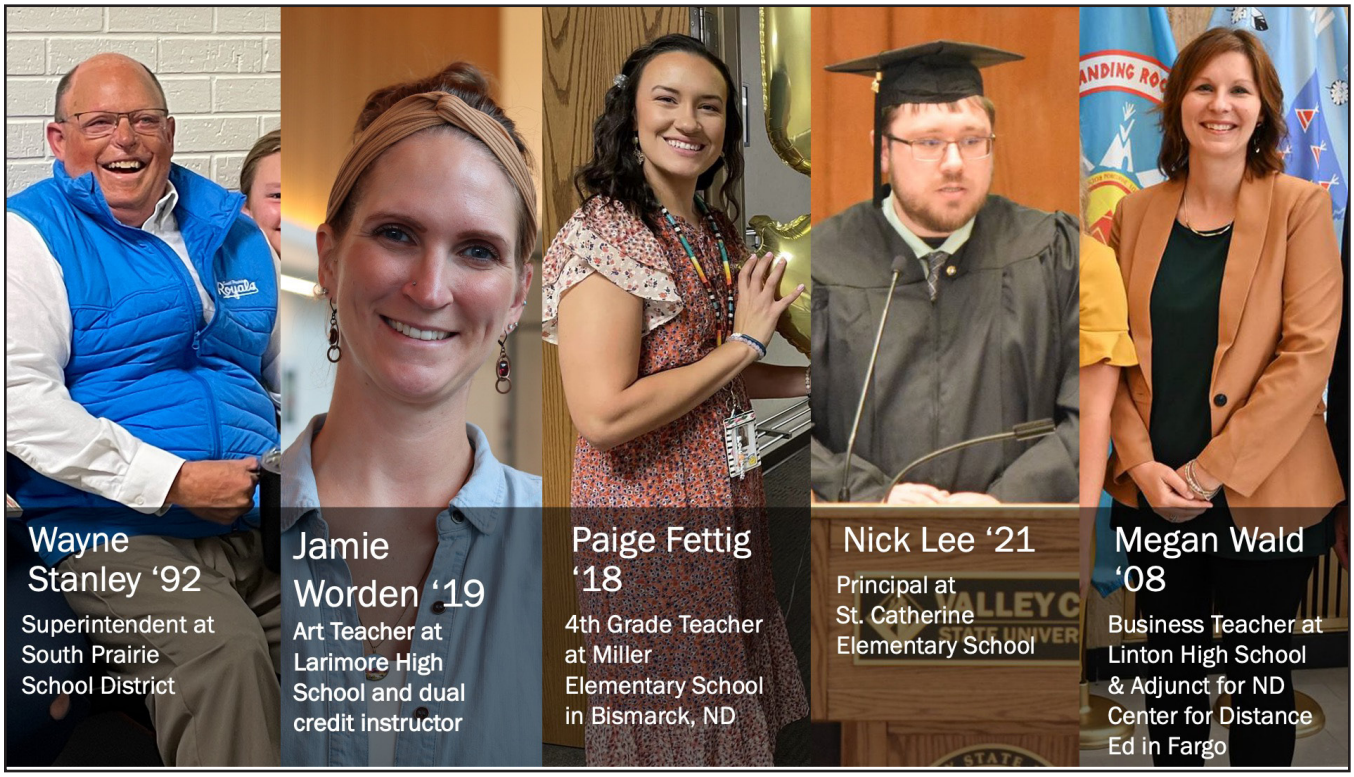
One of the ways our School of Education ensures graduates are ready for their first day as a teacher is by closely working with students and schools to have great student teaching experiences. Student teaching is an important part of the student experience, and our School of Education faculty and staff ensure candidates are well-prepared and gain a lot of practical experience while in the classroom.

One innovative way our School of Education has helped build on this concept is with students in West Fargo Public Schools. VCSU Elementary Education Students, who are also NDSU Human Development and Family Science students, actually attend college courses taught within an elementary school. This arrangement allows the students to observe classes and quickly make connections between course content and in-classroom usage.

Strengthening the connection between the college courses VCSU offers and real-world, hands-on experiences helps our students, but also assists the school. With this setup, students have the opportunity to observe classrooms in the fall and potentially student teach with the same teacher in the spring.

Students Gaining Experience as Substitute Teachers

In addition to that unique program, VCSU also has a program that allows students to become substitute teachers while pursuing their degree. Students who can work as a substitute teacher earn money to help pay for school and fill a critical need in our state for substitutes. This is a win-win for the students and for our elementary schools.



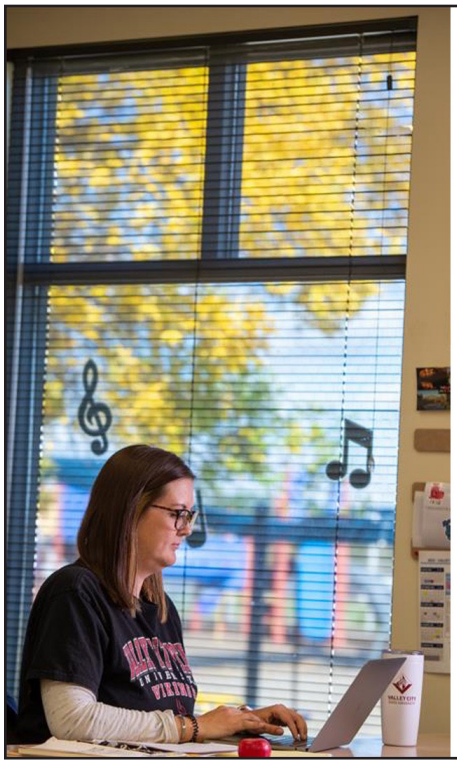

## Structured to Help Students Succeed

Helping new teachers succeed in their first five years increases the likelihood they can be retained as part of our teaching workforce. VCSU has developed excellent programs, but we have also excellent students. I’d like to highlight some of our graduates that exemplify what it means to be a Viking. From Wayne Stanley at South Prairie who has led his school district for years, to Megan Wald, runner up for teacher of the year, we have so many teachers and administrators that inspire pride.

One of the graduates we would like to highlight today is Paige Fettig. Paige graduated from VCSU in 2018 and now teaches fourth grade at Miller Elementary here in Bismarck.

# Paige Fettig

4th Grade Teacher at Miller Elementary School in Bismarck, ND



## Workforce-Ready Graduates

Survey data from North Dakota schools found that 97.8% either 'agree' or 'tend to agree' that VCSU first-year teachers effectively teach the subject matter in his/her licensure area.

**Workforce-Ready Graduates**

Simply put, our graduates of the School of Education are ready to teach. Survey data shows that almost 100% of school respondents thought VCSU first-year teachers can effectively teach in their subject matter. This is remarkable. The strength of VCSU's School of Education comes from our dynamic faculty, continued connections with local school districts and the hard work from our entire School of Education.

Our education program is successful and known locally, statewide and nationally for excellence. I share these successes with you because we have a need to bring our School of Education into the 21st century. We need your help.

North Dakota has a critical shortage of teachers. We need your investment in VCSU to help us meet this need head-on. As we outline how to make this happen, it's important to note that we have accomplished a great deal in regards to preparing teachers for more than a century. VCSU can be trusted to continue moving forward with this effort, as a reliable and innovative leader.

**Facilities Commensurate with Experience**

This is McCarthy Hall, specifically the third floor. This classroom is a photo that was taken recently, but could've been taken years ago. These rooms have been the same for decades and it's time to bring them into the 21st century.

I'd like to provide a little history about this Hall and the effort to make it the permanent home for our School of Education. In 1930, McCarthy Hall was built as a lab school for training teachers. During that year, 30 students were enrolled in the teacher training program. During 2021-2022, 186 VCSU students were awarded either a baccalaureate or graduate degree in education. Currently, the School of Education and Graduate Studies is spread out across campus. The project will bring the entire School of Education under one roof and will allow for better collaboration and enhanced learning experiences for students.

McCarthy Hall is redesigned with the teachers of tomorrow in mind.

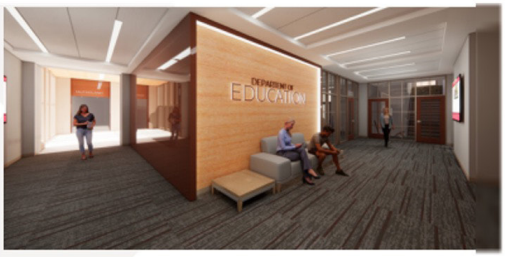
There are three important areas to note:

Technology Education: Classrooms for technology education include dedicated environments for high-tech machining, assembly, wood fabrication, metal fabrication and a virtual reality lab area.

Educational Spaces: Spaces are designed with flexible seating and updated technology similar to what students will encounter in real-world school environments. The layout will also incorporate a large student workroom, curriculum library and numerous study spaces.

Faculty Space: Currently, education faculty have offices spread across various parts of campus. This renovation will allow the Department of Education to bring an enhanced team approach to supporting students as they prepare to become teachers.

# McCarthy Hall Future



The future home of VCSU's School of Education and the Department of Technology

## The Future Home of VCSU's School of Education

Valley City State University is requesting $11.4 million to renovate McCarthy Hall for the School of Education and Graduate Studies and the department of Technology Education. VCSU will contribute to this effort with $2 million in private donations. This is a teacher workforce development project and will eliminate more than $8 million in deferred maintenance.

Based on preliminary design, the total cost of the project is estimated at $13.4 million. This project renovates existing space and will make this historic building more efficient. VCSU anticipates cost savings for heating, lighting, air conditioning and maintenance. This one-time request will have a positive impact on VCSU's long-term utility budget.

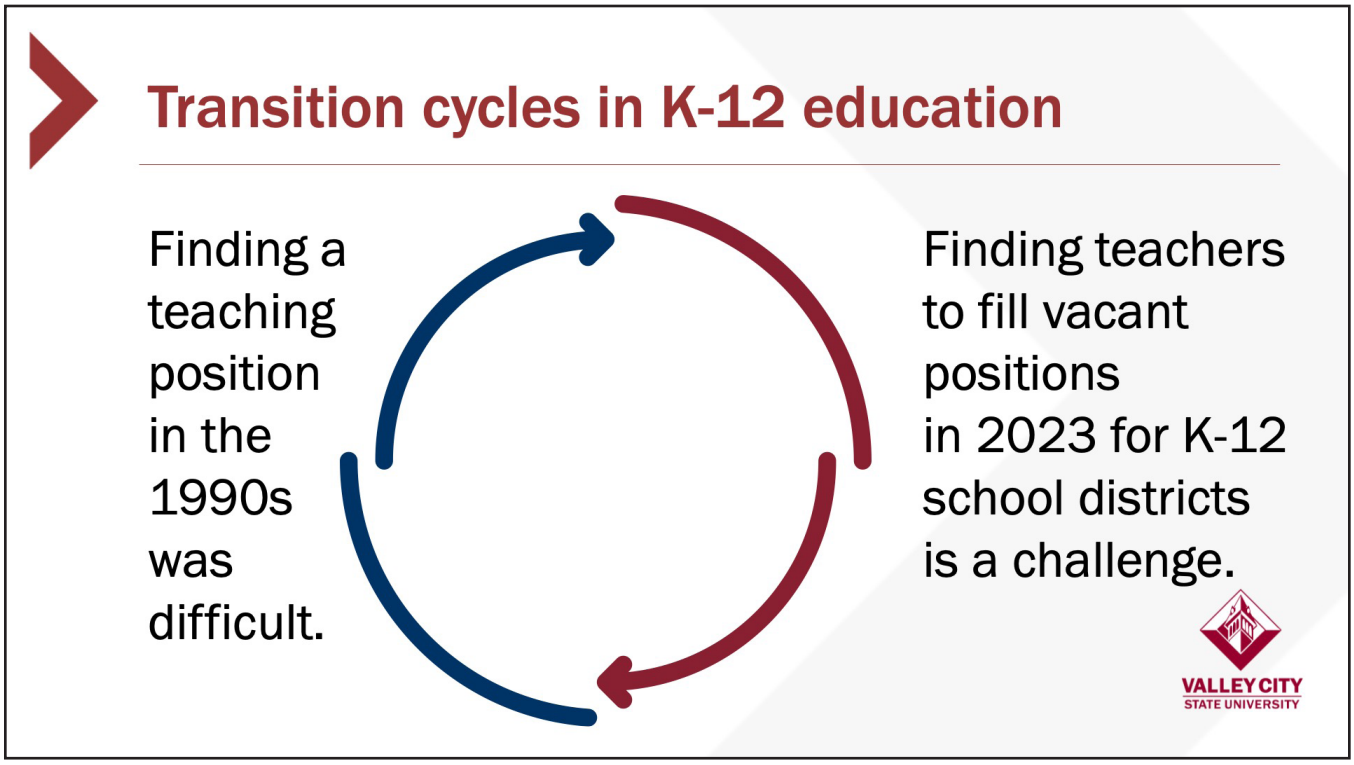
No new faculty or staff will be necessary for this project. VCSU has completed preliminary design and cost of the project. If funded, we will begin implementation immediately. The renovation will be completed in two to three years. This project will enhance the high-quality educational experience students receive at Valley City State University. This will also help attract future teachers to the North Dakota workforce.

I'd like to introduce Dr. Allen Burgad, our dean of the School of Education, to discuss this effort and our education programs in more detail.

**Dr. Allen Burgad**

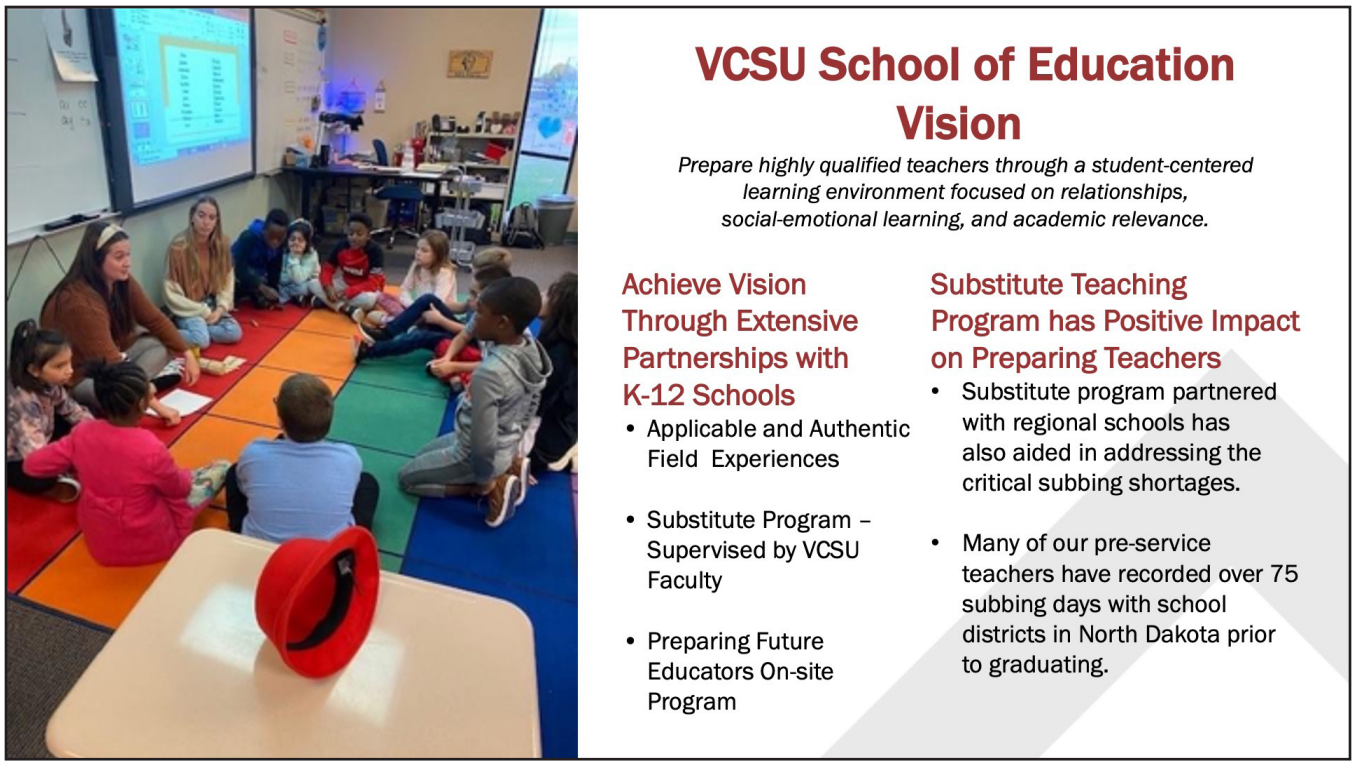
Chairman Nathe and members of the House Appropriations Committee, for the record, my name is Dr. Allen Burgad, current Dean for the School of Education at Valley City State University and a 1989 graduate of VCSU.

I am a retired K-12 Educator that grew up in Strasburg, ND. My career has taken me from Napoleon, to Stanley and Northern Cass, West Fargo and now Valley City.




**The Cycle of the Teacher Workforce**

As former North Dakota educator and school administrator for 32 years, I have experienced transition cycles in K-12 education. Finding a teaching position in the 1990s was difficult. Finding a teacher to fill vacant positions in 2023 for K-12 school districts is a greater challenge.




## Our Vision of a Successful Future

The picture in the presentation is an example of pre-service teachers in the field at regional elementary school.

The VCSU education program has partnered with many K-12 schools to best prepare pre-service teachers to be successful future classroom teachers. Our field experiences through required practicums and substitute teaching, supervised by university faculty, has resounding data supporting preparing pre-service teachers.

VCSU substitute program, partnered with regional schools, has also aided in addressing the critical subbing shortages. Many of our pre-service teachers have recorded over 75 subbing days with school districts in North Dakota prior to graduating.

## Learning is social and requires relationship-building embraced by reflection.

- These learning components are also applicable for individuals preparing to be classroom educators.
- Students have echoed the importance of being prepared in addressing the dynamic health, wellness, and behavioral needs experienced during their field experience.

### Our Purpose and Feedback from Students

Learning is social and requires relationship building embraced by reflection. These learning components are also applicable for individuals preparing to be classroom educators.

The VCSU School of Education has identified our purpose by preparing highly qualified teachers through a student-centered learning environment focused on relationships, social-emotional learning, and academic relevance.

This purpose was established by feedback provided by our student advisory committee who are currently enrolled in the teacher preparation program at VCSU. These students have also echoed the importance of being prepared in addressing the dynamic health, wellness, and behavioral needs experienced during their field experience.

## School District's Needs

- Current ND school educators and administrators have strongly indicated the importance of preparing future teachers with skills supporting student engagement, social-emotional learning, and responsive classrooms through relationship building.
- In addition, 21st century learners have unique learning needs relevant to literacy and innovation.

### Meeting the Needs of North Dakota Schools

Current ND school educators and administrators have strongly indicated the importance of preparing future teachers with skills supporting student engagement, social-emotional learning, and responsive classrooms through relationship building.

In addition, 21st century learners have unique learning needs relevant to literacy through the Science of Reading along with voice, choice, and pace on how they demonstrate their learning framed by Personalized Competency-based Learning (PCBL).

**Effective teaching through modeling and delivery requires large spaces for direct instruction and flexible spaces for differentiated instruction embedded with modern technology.**

Proposed Renovation of McCarthy Hall

- Expand on the number of graduates in teacher education.
- Provide pre-service teachers an environment that have proper heating, cooling, and air quality.
- Afford learning spaces enabling faculty deliver instruction modeling engagement, relationship building, reading and math literacies and innovation through a personalized competency-based pedagogy.

## Flexible Spaces for Dynamic Experiences

Our proposed renovation of McCarthy Hall at VCSU would enable our university to

Expand on the number of graduates in teacher education

Provide pre-service teachers with learning environments that have proper heating, cooling, and air quality.

Afford learning spaces enabling faculty deliver instruction modeling engagement, relationship building, reading and math literacies, and innovation through a personalized competency-based pedagogy.

Effective teaching through modeling and delivery requires large spaces for direct instruction and flexible spaces for differentiated instruction embedded with modern technology.

Our proposed updates will help VCSU in preparing future classroom teachers to be passionate, compassionate and innovative educators.

VALLEY CITY STATE UNIVERSITY

**Retaining our Teaching Workforce**

This picture represents our 145 K-12 2021-2022 graduates. These young teachers are meeting a critical workforce need, and it's important to recruit more students to join them. But equally important is retaining them once they become teachers.

A majority in the loss of teacher retention occurs in the years one through five.

Our proposed McCarthy updates will help VCSU increase the number of passionate, compassionate, and innovative future classroom teachers.

**Partnering with others to Enhance Success**

I'd like to share some partnerships and initiatives we have with other NDUS institutions.

We have been working to meet the need for nursing and healthcare workers by partnering with Dakota College at Bottineau. Students can attend classes on our campus, but receive their nursing degree from DCB.

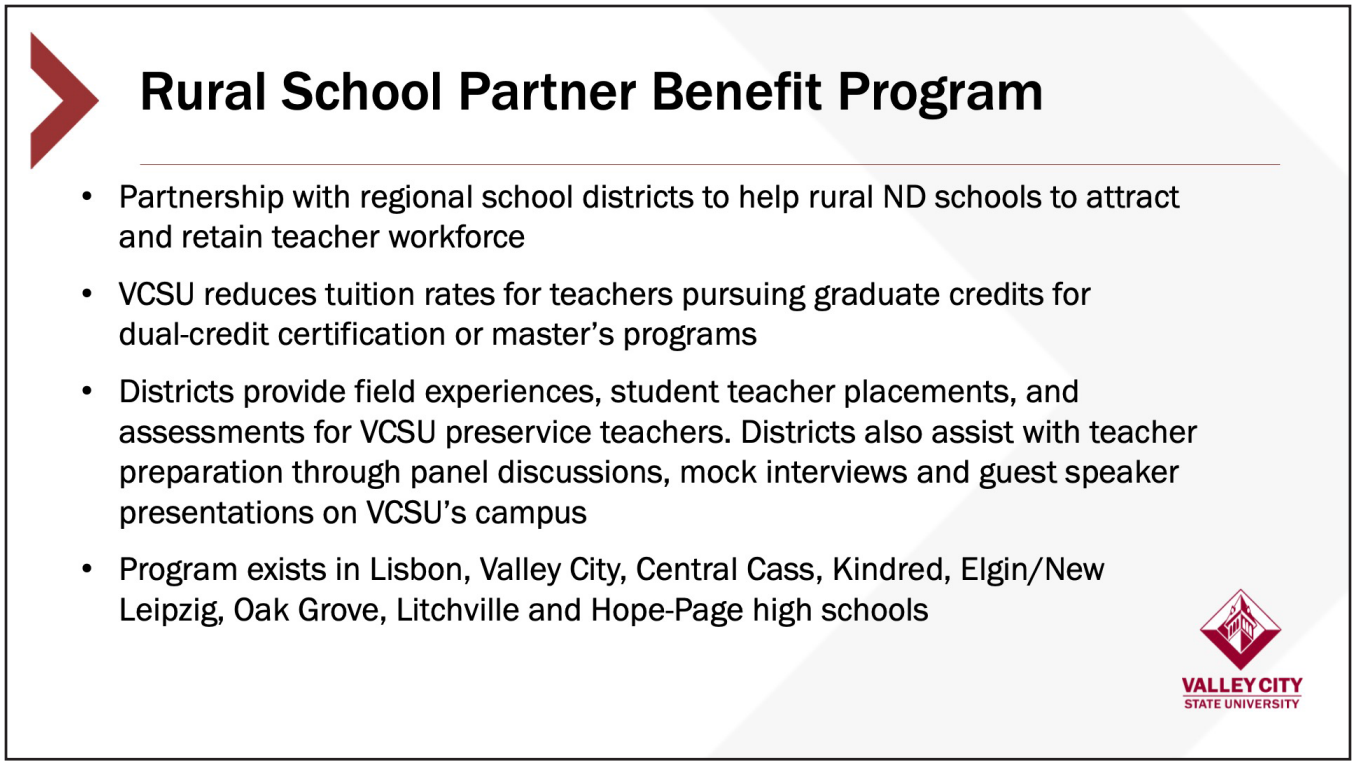
We also partner with NDSU to offer a dual degree program. NDSU students study Human and Family Development. Then, as juniors, they become VCSU students working toward a degree in elementary education. This is a great program that provides students access to two excellent degrees in a unique way. Our faculty teach in the Fargo metro area and, I'd also like to note, students in this program are able to attend their VCSU classes inside an elementary school. This provides greater access to real-work experiences and hands-on opportunities, increasing their comfort and familiarity with a school environment.

Our academic programs have 44 different articulation agreements. These allow students greater access to courses and degrees in seamless ways.

Faculty and staff at VCSU have partnered to create educational opportunities just south of Valley City at the Prairie Waters Education and Research Center. This center specializes in water education and water-related research. Each year, Prairie Waters hosts students, professionals, and other community groups to educate about water resources and the organisms found in water ecosystems. Summer camps, field trips, and research opportunities are some exciting events that take place each summer. Located about 20 miles south of Valley City, Prairie Waters is a beautiful destination for people of all ages.

I'd like to mention the Northern Information Technology Consortium (NITC). The NITC is a partnership between Valley City State, Williston State, Dakota College at Bottineau, Lake Region State College, Minot State University and Turtle Mountain Community College. This Consortium allows greater access for students in regards to information technology courses.

Finally, the Rural School Partner Benefit Program is an important partnership we have with area schools. This program helps rural ND schools with attracting and retaining their teacher workforce.




## Retaining Teaching Workforce

The Rural School Partner Benefit Program is designed to create a "dynamic and sustained university-school district partnership that will promote collaboration between the University and partner schools with a focus on student learning and educator preparation." This effort will include both school district and university faculty and teacher candidates.

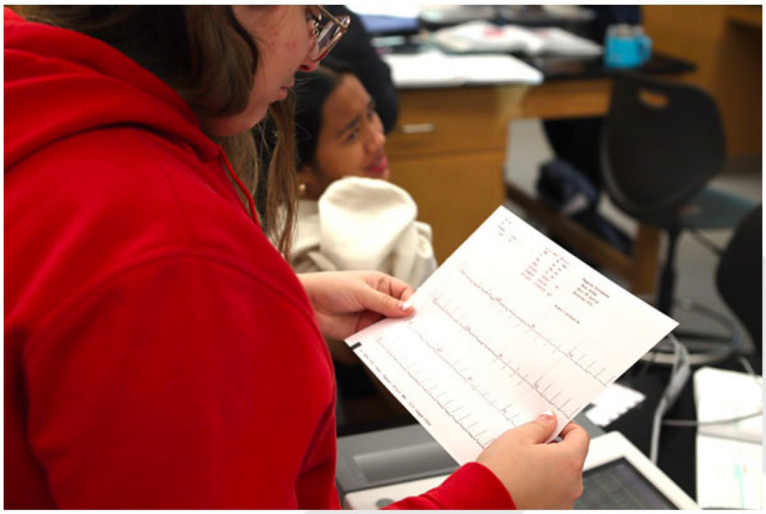
One of the first schools we partnered with was Lisbon Public Schools. Dr. Stephen Johnson, superintendent of Lisbon Schools at the time, said, "The focus will be on offering our students more dual-credit opportunities and preparing future teachers while updating current LPS staff with graduate credit. We will collaborate to place VCSU graduates in our school while helping them supervise and assess preservice teachers in clinical experiences."

VCSU offers reduced rates for tuition for those Lisbon faculty seeking Master of Education, Master of Arts in Teaching or Content Area Qualifications. In addition, VCSU reduces the tuition for high school students taking dual credit coursework.

Currently VCSU is partnering with eight schools to offer this program, but work is ongoing to add more districts to the program.

# Community Partnerships

- Master of Science in Business Information Systems
- Cardiographic Technician course
- Marketplace for Kids



**Partnering in the Valley City and Barnes County community**

I'd also like to highlight some of the great partnerships VCSU has developed within our local community. We are incredibly lucky to have entities like the Valley City-Barnes County Development Corporation and its director Jennifer Feist. In partnership with them, we have had the ability to develop a few key programs to meet workforce needs. Also, we partnered with the Development Corporation for Summer Vikes on Central this year. Hundreds of our students walked across the historic footbridge into downtown Valley City and were welcomed with open arms. It really was an amazing event.

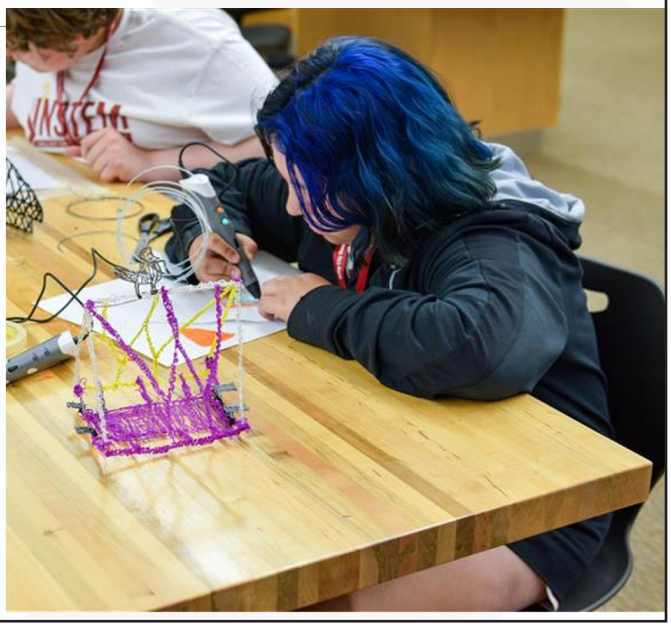
Our Master of Science in Business Information Systems degree was officially launched in 2022. It was developed to meet a workforce need identified at Eagle Creek Software in Valley City. This degree focuses on advancing skills in communication, Salesforce, SAP Business Software, computer software administration, and information technology management. Students can enter the program with a bachelor's degree in any major. The courses in this program help develop leadership skills for any individual seeking advancement or leadership roles in the workforce. Although enrollment is modest in this program, it is still fairly new and we are actively recruiting students for the degree path.

We are also offering a Cardiographic Technician course to meet a very specific workforce need. We were asked to help develop a course for this to increase the number of individuals that can take and pass the Certified Cardiographic Technician (CCT) exam. Individuals with this certification can work as Cardiographic Technicians for a local company monitoring electrocardiogram (EKG) strips. Not only is this an important class, but our faculty developed multiple tools to offer portions of it in an online environment. The online simulator created by our faculty provided an extra way for students to quickly grasp the course material and pass the certification exam successfully.

Finally, earlier this month, we hosted the Marketplace for Kids event. This event allows elementary students to become comfortable with new ideas and understand various parts of the economy. It was a great event and we hope to host it again in the future.

# INSTEM Partnership (Indians into STEM Partnership)

- Increase awareness and interest in STEM careers among ND Native American K-12 students
- Provide an opportunity to live and study on a college campus.
- Increase self-efficacy in STEM academic content and future higher education enrollment
- Cohort model designed to have participating students return each year through high school graduation



## Partnering to Create Opportunity for High School Students

Since 2018, the Great Plains STEM Education Center (GPSEC) at Valley City State University has been conducting week-long summer STEM academies for cohorts of North Dakota Native American middle and high school students. In 2020, the program was officially named INSTEM (Indians into STEM). INSTEM's mission is to increase awareness and interest in STEM careers among ND Native American K-12 students, while also providing them with the opportunity to live and study on a college campus to increase self-efficacy in STEM academic content and future higher education enrollment. The cohort model is designed to have participating students return each year through high school graduation.

The program was developed through the hard work of Lisa Lone Flight (senior environmental scientist with the Mandan, Hidatsu and Arikira nation and Dr. Jamie Wirth (director of the VCSU Great Plains STEM Education Center).

This project is a natural continuation of the Middle School STEM Academy. The intent of this project is to provide the hands on, highly engaging activities that can be used to help encourage Native Americans to pursue college education and particularly in STEM disciplines, where they are under–represented.

# Our Students are Career Ready

"'VCSU really does a phenomenal job in helping a student who wants to be proactive in the career hunt and search, so I already have a job that I am currently working, before even graduating and receiving my degree. "

*Connor Aanderud, '22*
*Software Engineering Major*

### Preparing a Successful Workforce

Alumni Connor Aanderud states this well, VCSU combines a great environment with excellent faculty to help students achieve personal and career success. Connor is a great example of a student who achieves real-world results before receiving his degree. As part of his senior project, he created software for an office on campus to more seamlessly process a specific type of applications. During his senior year, he spent his summer working as an intern at DigiKey Electronics.

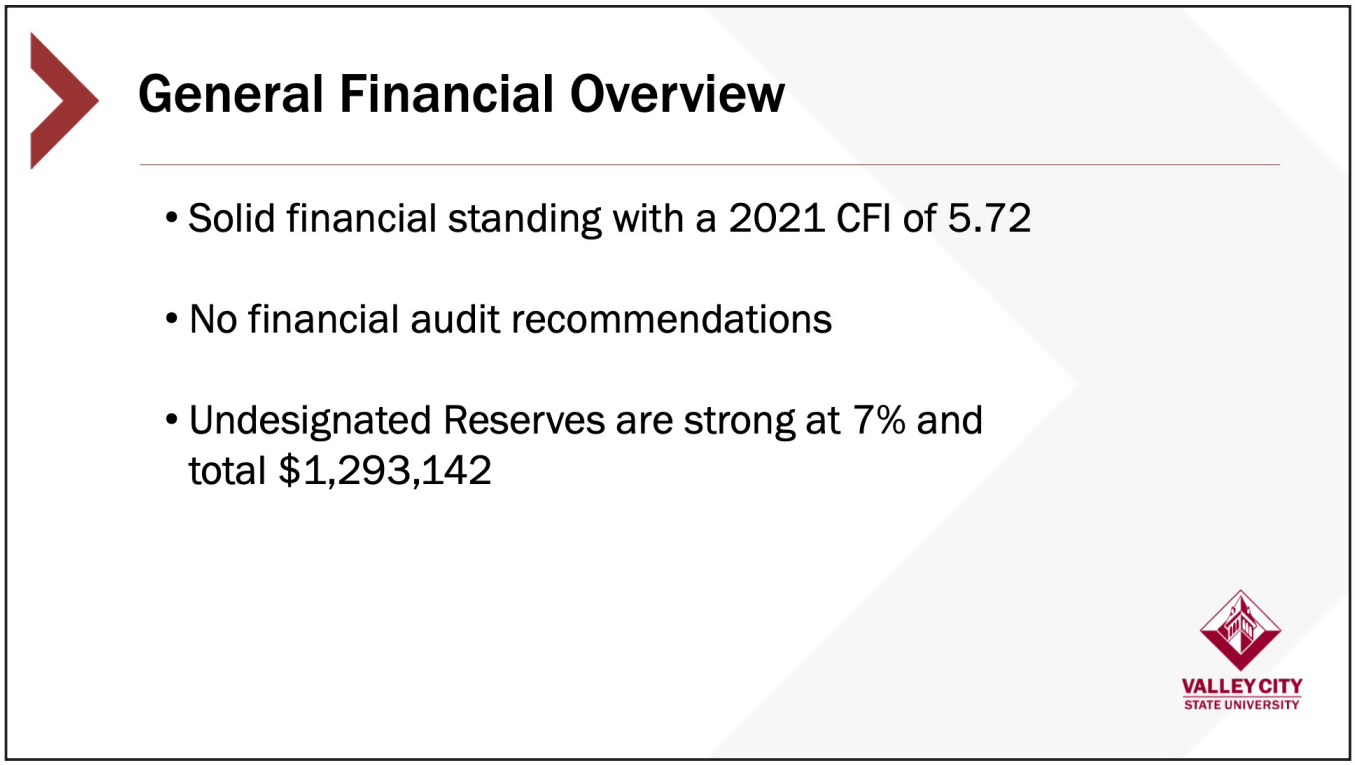
# Internship locations in 2021-2022

- Aflac
- Barnes County Museum
- Barnes County Sheriff's Office
- Barnes County State's Attorney
- Border States Electric
- Bridges Art Council
- Buffalo Bridges Human Service Zone
- Centrol Ag Consulting
- CHI Mercy Health
- Christian Adoption Services
- City of Fargo
- City of Valley City
- Collins Aerospace
- Community Action Head Start
- Cornerstone Rentals
- Digi-Key Electronics
- Eagle Creek
- Eide Bailly
- Enterprise
- Freedom Machine Group
- Go Promo
- I3G Media
- Inspire Counseling
- Just Kidding Preschool
- Menards
- Miller Motors
- Minnesota DNR
- National Information Solution Cooperative
- Northway Academy
- Open Door Center
- Sodexo
- Solar Steals
- State Historical Society of ND
- Stoneridge Software
- The Arthur Companies
- The Joe Niekro Foundation
- The Office of the State Auditor
- Three Affiliated Tribes Fitness & Recreation Department
- Times Record
- Titan Machinery
- Tri WG
- URL Radio, LLC
- US Federal Government
- Valley City Barnes County Public Library
- Valley City Parks and Recreation
- Valley City Public School
- Ward County Public Library
- Wold Engineering
- Youth Correctional Center

## Internships in Numerous Locations

Our Career Services department helped match students with many internships. This list is internship locations from this past year alone. Students successfully work as interns with some of the best organizations worldwide, and often, are offered employment after their internship is completed.

Of the more than 50 locations, we are constantly hearing about the high-caliber of the students placed in these spots. Internships are an important tool for students to gain real-world experience. They are also meeting a need of our employers by opening doors to new potential employees. Almost 90 percent of our student interns serve North Dakota employers. Follow-up surveys with the internship providers indicate close to 100% percent of the students would be recommended for full-time employment by their internship supervisor. This is a critical portion of the VCSU experience and we are proud to have so many students succeed professionally, in part, due to these internships.

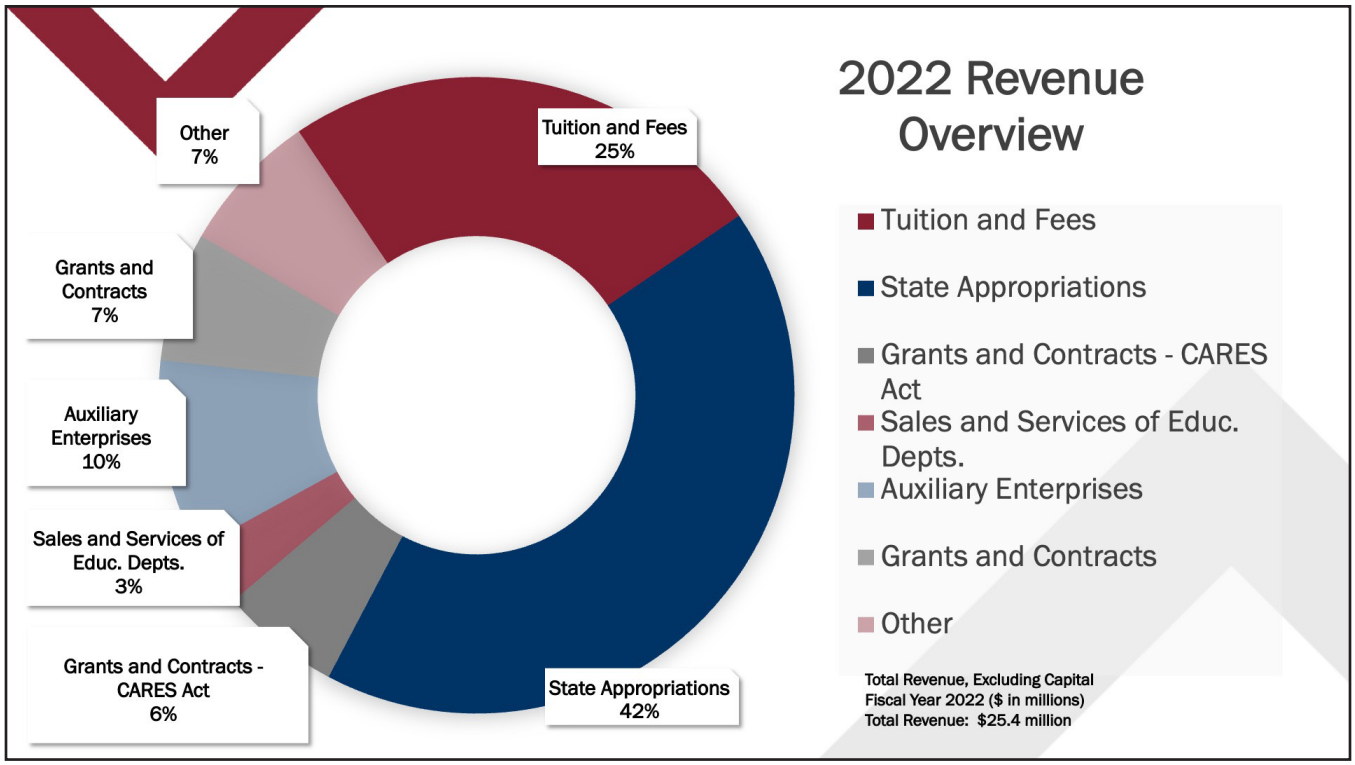



**Strong Financial Standing**

VCSU had a solid CFI in 2021 of 5.72 which increased from 2.55 in 2020.

We have had six years of no financial audit recommendations. However, during the last operational audit with N.D. State Auditor's Office, we received a finding regarding procurement. We have created a centralized procurement process for campus that has been implemented this year and will help maintain records during turnover and keep a closer eye on required procurement thresholds.

Campuses are required to hold in reserves no lower than 5% and up to 7% in undesignated reserves. As of June 30, 2022, VCSU has a strong undesignated reserve of 7%.




## Revenue Overview

This chart shows VCSU's revenue sources from for fiscal year 2022.

As you can see, the 42% of our revenue is from the appropriation from the State of North Dakota. We are extremely grateful to this body for the continued support and commitment to our students.

The second-largest revenue generator for our campus is Tuition and Fees.

Here is a more detailed breakdown of these revenue numbers.

$6.9 million Tuition and Fees

$11.7 million State Appropriations

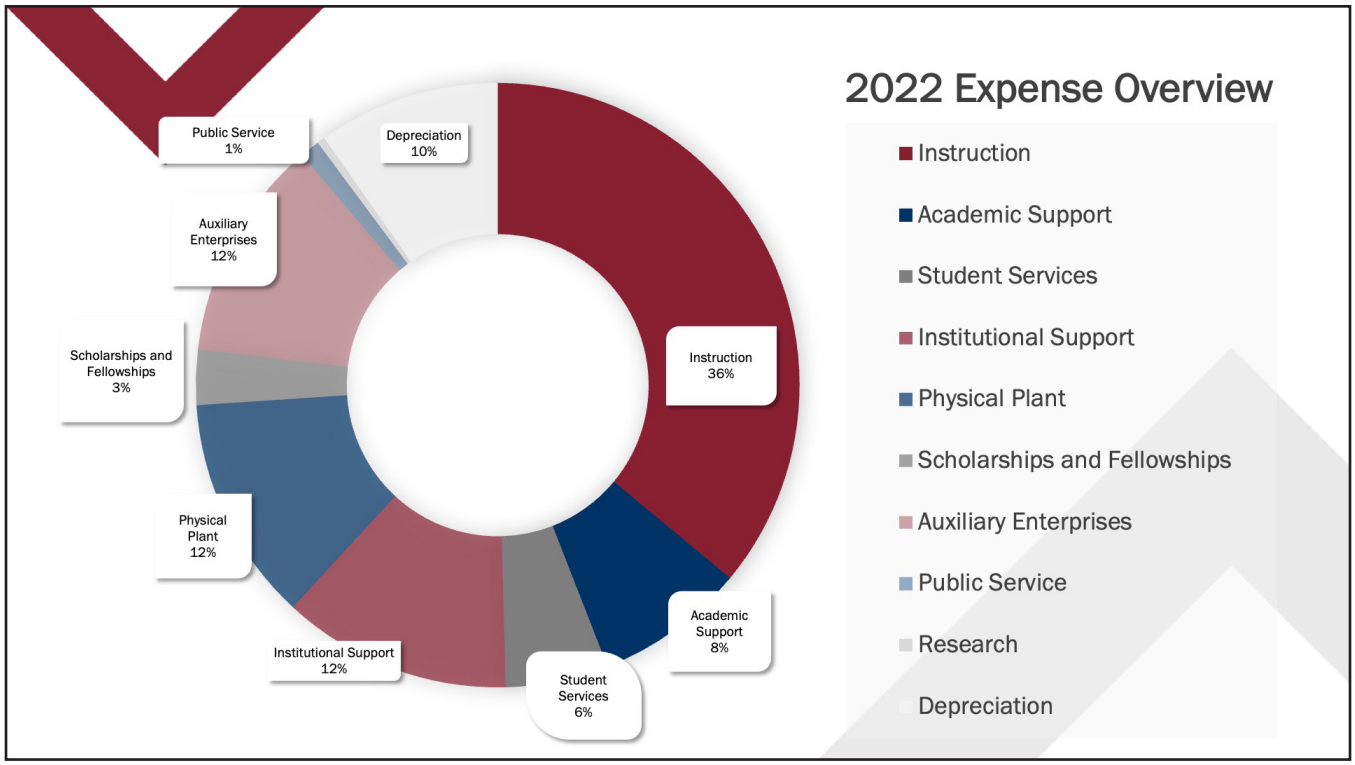
$1.7 million Grants and Contracts - Higher Education Emergency Relief Funding (HEERF)

$.9 million Sales and Services of Educ. Depts.

$2.7 million Auxiliary Enterprises

$1.8 million Grants and Contracts

$2.0 million Other




## Expense Overview

This chart shows the breakdown of VCSU's 2022 expenses.

Here is a more detailed breakdown of these revenue numbers.

- $8.5 million Instruction
- $1.9 million Academic Support
- $1.3 million Student Services
- $2.9 million Institutional Support
- $2.85 million Physical Plant
- $.7 million Scholarships and Fellowships
- $2.8 million Auxiliary Enterprises
- $.25 million Public Service
- $.1 million Research
- $2.3 million Depreciation

# Extraordinary Repair on Campus

| Match Calculation | State Fund | VCSU Match | Total | |
|---|---|---|---|---|
| 2:1 Extraordinary Repair | $408,318 | $816,636 | $1,224,954 | Matched |
| Tier 2 - 1:1 | $309,137 | $309,137 | $618,274 | Matched 200,000 |
| Tier 3 - 2:1 | $500,000 | $1,000,000 | $1,500,000 | Pending Match |
| Total | $1,217,455 | $2,125,773 | $3,343,228 | |
| Total Matched and Available | | | $1,624,954 | |

| Future Project Descriptions | Category | ESTIMATE |
|---|---|---|
| McFarland Fire Alarm Upgrade (to complete building upgrade) | LS | $100,000 |
| Field House Emergency Power | LS | $60,000 |
| Replace McFarland Fire Escape (East) | LS | $330,000 |
| Card Access on other buildings | LS | $100,000 |
| Footbridge Structural Repairs | DM | $276,500 |
| Campus Tuckpointing | DM | $2,800,000 |
| McFarland Window Replacement | DM | $2,454,850 |
| Sidewalk Replacement | DM | $75,000 |
| Total future planned deferred maintenance | | $6,196,350 |

| Planned Projects | |
|---|---|
| McFarland Clock Tower Repairs | $85,000 |
| Classroom and Hallway Remodels in McFarland Hall | $100,000 |
| Press Box Repairs/Stadium ADA Updates | $640,000 |
| Other projects to be added after completion and budget update | |

VALLEY CITY STATE UNIVERSITY

## The Importance of Tier Funding

VCSU is in support of the Tier funding match requirement changes to a 1:1 match asked by NDUS. We have a long list of deferred maintenance and life safety projects on our campus and being able to access the tier dollars quicker would go a long way to address the needs of VCSU. During the 21-23 biennium, we have been able to match $1,016,636 of the $2,125,773 match required to access all of the tier dollars. Therefore, we have only been able to utilize $1.6 million of the $3.3 million available to VCSU.

# Budget Request Overview

| | General Funds | Special Funds |
|---|---|---|
| 2021-23 Appropriation / Authority | $ 24,161,377 | $26,377,846 |
| Current Funding Formula Increase due to Credit Production | $480,872 | |
| Cost to Continue 21-23 Salary Adjustment | $114,005 | $120,170 |
| | | |
| Total 2023-25 Base Budget Request | $24,756,254 | $26,498,016 |
| | | |
| Additional Requests | | |
| Behavioral Health Initiative | $236,000 | |
| Teacher Workforce McCarthy Project | $11,439,000 | $2,000,000 |
| Capital Campaign Projects | | $22,000,000 |
| Total optional requests | $11,675,000 | $24,000,000 |
| | | |
| Total Request | $36,431,254 | $50,498,016 |

## Budget Overview

The VCSU 21-23 Base level state funding is $24,161,377, of which $408,000 is set aside for our 2:1 match for capital assets and an additional $47,823 for equipment purchases on campus.

Our requested adjustments would increase our budget by $594,877. This is made up of two parts. First, the funding formula increases our state funding by $480,872 due to our increase in completed credit hours. Secondly, we are asking for an increase of $114,005 to continue the cost of raises during the 21-23 biennium for our employees.

In our special fund authority, we request an increase of $120,170 to continue the cost of raises during the 21-23 biennium for our employees paid through these funds.

VCSU also asks for spending authority of our Capital Campaign fundraised dollars of 22 million. These funds will be used to fund two important projects for our campus: a much-needed addition to our Osmon Fieldhouse and updates to the Memorial Student Union.

### One-Time Funding Requests

North Dakota has a critical shortage of teachers in all K-12 content areas. VCSU leads the state in teacher preparation. 1,514 educators in 151 North Dakota communities are VCSU alumni.

VCSU is committed to bringing our nationally-recognized School of Education and Graduate Studies under the same roof in McCarthy Hall. Classrooms and lab spaces will be designed with flexible seating and updated technology which would be similar to what students will encounter in real-world school environments. The layout will also incorporate a large student workroom, curriculum library, and numerous study spaces.

Based on preliminary design, the total cost of the project is estimated at $13.4 million. VCSU is requesting $11.4 million to renovate McCarthy Hall for the School of Education and department of Technology. VCSU will contribute to this effort with $2 million in private donations.

This teacher workforce development project will eliminate more thank $8 million on deferred maintenance. No new faculty or staff will be necessary for this project. This project will enhance the high-quality educational experience students receive at VCSU while helping attract future teachers to the North Dakota workforce.

# Valley City State University

**Comparison of 2021-23 Base Budget to 2023-25 SBHE Request and Executive Recommendation**

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| Campus Operations | $ 50,083,400 | | $ 50,083,400 | $ 50,083,400 | | |
| Funding Formula Adjustment | | $ 480,872 | $ 480,872 | $ 480,872 | $ 480,872 | $ - |
| Costs to Continue Salaries/FB | | $ 234,175 | $ 234,175 | $ 234,175 | $ 234,175 | $ - |
| Behavioral Health Initiative | | $ 236,000 | $ 236,000 | $ - | $ - | $ - |
| Executive Compensation Recommendation 6%/4% plus health insurance | | | $ - | $ 3,138,342 | $ 3,138,342 | $ 3,138,342 |
| **Total Campus Operations** | $ 50,083,400 | $ 951,047 | $ 51,034,447 | $ 53,936,789 | $ 3,853,389 | $ 3,138,342 |
| Capital Assets | $ 455,823 | $ - | $ 455,823 | $ 455,823 | $ - | $ - |
| Plant Improvement Carryover | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Projects - Non-State Funded | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Projects - Non-State Carryover | $ - | $ - | $ - | $ - | $ - | $ - |
| **Total Appropriation** | **$ 50,539,223** | **$ 951,047** | **$ 51,490,270** | **$ 54,392,612** | **$ 3,853,389** | **$ 3,138,342** |
| General Fund | $ 24,161,377 | $ 830,877 | $ 24,992,254 | $ 26,330,261 | $ 2,168,884 | $ 1,338,007 |
| Special Funds | $ 26,377,846 | $ 120,170 | $ 26,498,016 | $ 28,062,351 | $ 1,684,505 | $ 1,564,335 |
| **Total Funding Sources** | **$ 50,539,223** | **$ 951,047** | **$ 51,490,270** | **$ 54,392,612** | **$ 3,853,389** | **$ 2,902,342** |
| **FTE** | **202.77** | **10.17** | **212.94** | **211.94** | **9.17** | **-1** |

## Comparison

We support the executive recommendation of a 6% and 4% raise and the request for the increases to be funded by general dollars. VCSU would need to have an annual tuition increase of 4.73% to fund the increase in salary and health insurance if this funding is not paid by general fund which impacts our students in a big way.

VCSU has seen increased cost during the last biennium due to inflation in many areas. One example of this is our Rainbow Gas contract, VCSU saw an increase from fixed price of $3.97/unit in 2021 to $7.92/unit in 2022 which may be a $150,000 direct impact to our reserves. VCSU is in support of the NDUS inflation formula adjustment request.

Additionally, we support the behavioral health initiative proposed by NDUS and recommended by the Executive budget. The VCSU portion of this initiative is $236,000. During the past two academic years, our students have had an increased wait time to be seen by behavioral health staff due to increased numbers seeking services as well as difficulties in filling an open counselor position. The behavioral health initiative would support 1 FTE for a mental health provider and professional development trainings to help VCSU meet the needs of its students.

FTE counts from last biennium to this have increased on campus. These additions to FTE since the previous budget cuts have been fueled by student growth and have been made strategically, not by bringing back positions in the areas that have been cut, but instead by focusing on areas of strategic importance in academic growth areas, health service, mental health, diversity, and adjunct and dual credit instructors.

## Forward Together

- Support student success in and out of the classroom
- Improve quality of academic offerings and explore additions of innovative programs
- Provide support for best practices in online teaching and learning
- Continue strategic work to positively impact enrollment, retention and completion

### Let's Move Forward Together

Overall, VCSU is in a great place. We are achieving student success on multiple levels and continuing to improve our academic offerings to ensure students are getting the highest-quality education.

Our entire team is working on best practices to offer high-quality teaching and learning.

VCSU is one of the fastest-growing regional schools in the upper Midwest and we continue to have sustained enrollment growth, but that success and growth have helped us realize our current facilities are well-loved, but inadequate. McCarthy Hall is a prime example. With our Forward Together focus, we are making a monumental effort to propel VCSU into the future. The Campaign for Valley City State University is our way of ensuring continued service to our students by providing them with updated campus buildings and scholarship enhancements.

Thank you for your time today and I look forward to partnering with you to continue supporting North Dakota's future workforce.

**Thank You for your Time**

Thank you, again, for your support of VCSU and Higher Education in ND.

We support the NDUS needs-based budget request and are proud to play a part in the overall success of higher education in North Dakota.

December 2022

VALLEY CITY STATE UNIVERSITY

THE NEED

# North Dakota Needs Teachers

**Our state has a critical shortage of teachers**

In April 2021, the North Dakota Education Standards and Practices Board declared a critical shortage in all K-12 content areas.

**Teachers are needed in every grade and content area**

Before the start of the 2021-2022 school year, the state of North Dakota had 393 unfilled teaching positions.

THE SOLUTION

# VCSU Leads the State and Nation in Teacher Preparation

**Ranked the top Elementary Education Program in the United States by Study.com**

**VCSU graduates more teachers than any other university in the state**

## Rural School Partner Benefit Program

Partners with districts to help teachers obtain their master's degree by offering a 50% tuition waiver.

## 1,514 Valley City State University Alumni

Working as teachers and administrators at 359 North Dakota schools.

BEST COLLEGES
U.S.News & WORLD REPORT
REGIONAL COLLEGES
PUBLIC
2022

**25 years**

in a row VCSU has been ranked by U.S. News and World Report

DEDICATED SPACE FOR THE VCSU SCHOOL OF EDUCATION

# Preparing a Teaching Workforce

McCarthy hall was built in 1930 as a lab school for training teachers. In 1930 the entire program had 30 graduates.

During 2021-2022, 304 VCSU students were awarded either a baccalaureate or graduate degree. Currently, the School of Education and Graduate Studies is spread out across campus. The project will bring the entire School of Education under one roof and will allow for better collaboration and enhanced learning experiences for students.

## McCarthy Hall is redesigned with the teachers of tomorrow in mind.

### Faculty Space

Currently, education faculty have offices in various parts of campus. This renovation will allow the department to collaborate and bring an enhanced team approach to supporting students as they prepare to become teachers.

### Technology Education

Spaces for technology education include dedicated environments for high-tech machining, assembly, wood fabrication, metal fabrication and a virtual reality lab area.

### Educational Spaces

Spaces are designed with flexible seating and updated technology similar to what students will encounter in real-world school environments. The layout will also incorporate a large student workroom, curriculum library and numerous study spaces.

Re-purposing a historic building with student experience in focus.

Valley City State University is requesting $11.4 million to renovate McCarthy Hall for the School of Education and Graduate Studies and the department of Technology Education. VCSU will contribute to this effort with $2 million in private donations.

This is a teacher workforce development project, and will eliminate more than $8 million in deferred maintenance.

Based on preliminary design, the cost is estimated at $13.4 million.

This project renovates existing space and will make this historic building more efficient. VCSU anticipates cost savings for heating, lighting, air conditioning and maintenance. This one-time request will have a positive impact on VCSU's long-term utility budget.

No new Full Time Equivalent (FTEs) or staff will be necessary for this project.

VCSU has completed preliminary design and costing of the project. If funded, we will begin immediately. The renovation will be completed in two to three years.

This project will enhance the high-quality educational experience students receive at Valley City State University. This will also help attract future teachers for the North Dakota workforce.

**McCarthy Hall will be renovated and dedicated for VCSU education programs.**

IN THE NEWS

# VCSU receives $600,000 teacher preparation grant to address teacher shortage

## Scholarships available for paraprofessionals and substitute teachers seeking a teaching license

Valley City State University (VCSU) has received a $600,000 grant from the North Dakota Department of Public Instruction to help prepare more teachers to fill critical teaching needs across the state.

The grant will fund the VCSU Grow Your Own Scholarship Program. This program offers scholarships to individuals aspiring to become a licensed teacher in North Dakota. It is specifically designed for paraprofessionals and substitute teachers working in North Dakota school districts.

"Valley City State University has one of the best teacher preparation programs in the nation. This grant allows us to offer scholarships to cover tuition costs for individuals working toward their teaching degree in North Dakota," VCSU President Alan LaFave said. "We lead the state in preparing future educators and this grant opens doors for more individuals interested in joining the education workforce."

Scholarships of $3,200 will be awarded through this program. This amount covers tuition costs for an entire semester for a full-time student.

Scholarships available include:

- Scholarships for two semesters for currently enrolled, or electing to enroll full-time, in VCSU's Online Teacher Education Program. This program includes content areas of Elementary, Business, English, History, Mathematics, Spanish, Social Science, and Technology Education.
- Scholarships for three to four semesters for students seeking a teaching degree with a specialized endorsement area. Endorsements available include English Language Learners (ELL), Early Childhood/ Kindergarten, and Special Education.

"Our graduates in the field change the lives of students every day," Dean of the VCSU School of Education Allen Burgad said. "We are proud to have 1,514 VCSU alumni teaching or serving as school administrators in 359 schools in 151 different North Dakota communities. Our hope is this scholarship program will help more individuals pursue teaching as a career to inspire the next generation of leaders in our state."

VALLEY CITY STATE UNIVERSITY

# 2022 Campus Snapshot | Valley City State University

## MISSION

Valley City State University is a public, regional university offering exceptional programs in an active, learner-centered community that promotes meaningful scholarship, ethical service, and the skilled use of technology. As an important knowledge resource, the University offers programs and outreach that enrich the quality of life in North Dakota and beyond. Through flexible, accessible, and innovative baccalaureate and master's programs, VCSU prepares students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

## SIGNATURE PROGRAMS

### Teacher Preparation

- 322 students enrolled in elementary education and 188 students enrolled in secondary education majors (Fall 2021)
- 163 students enrolled in online Master of Education (M.Ed.) and Master of Arts in Teaching (M.A.T.) (Fall 2021)
- Offer the only online elementary education degree program in North Dakota to increase access for teacher preparation
- Unique program in which junior/senior elementary education students serve as substitute teachers in Valley City, Fargo. and West Fargo schools
- 1,438 VCSU alumni serve as teachers and school administrators in 323 schools/education units in 148 North Dakota communities (Fall 2021)

### Integration of Open Educational Resources (OER)

- Faculty encouraged to replace expensive textbooks with accessible OER in curricula
- OER have saved VCSU students more than $1.5 million in textbook costs since spring 2016
- State audit showed VCSU as a leader in OER use

### Three-Year Programs

- 28 students who completed graduation requirements in less than four years were recognized during the 2021-2022 school year.

### Academic Specialties

- Elementary and Secondary Education
- Fisheries and Wildlife Science
- Technology Education
- Health Science
- Music
- Software Engineering

### Academic Centers

- Don Mugan Career and Technical Education Leadership Center
- Great Plains STEM Education Center
- Prairie Waters Education and Research Center

## COLLABORATIVE PROGRAMS

### Articulation Agreements with Community Colleges

- More than 27 articulation agreements with two-year schools for baccalaureate completion in face-to-face and online programs

### VCSU and North Dakota State University

- Collaborate on human development and family science/elementary education program
- VCSU faculty teach elementary education coursework on NDSU campus
- Students who complete program earn degrees from both institutions

### VCSU and Dakota College at Bottineau

- DCB students reside on VCSU campus and participate in DCB two-year degree and certificate programs
- Popular DCB nursing program hosted in Rhoades Science Center on VCSU campus
- DCB delivers developmental courses needed by some VCSU students

### NExT (Network for Excellence in Teaching)

- Valley Partnership of VCSU, NDSU, and Minnesota State University Moorhead participates with 11 other colleges and universities in Minnesota and South Dakota
- Funded by Bush Foundation grant to prepare more effective teachers; provides continuing support for new teachers in classroom

## COMPETITIVE POSITION (REGIONAL/NATIONAL)

- Top regional college in North Dakota as ranked by U.S. News and World Report for 2022
- A U.S. News "Best College" for 24 consecutive years
- Ranked the No. 1 Elementary Education program in the nation by Study.com

## STRENGTHS, CHALLENGES, NEEDS AND PRIORITIES

### Strengths

- Close-knit, personal campus: students and faculty/staff know each other, work closely together
- 26-plus years of leadership in integration of technology in learning, accentuated by laptop campus
- New Center for the Arts building opened in 2022
- Innovative and responsive program offerings
- Strong town-gown relationship
- Highly active, supportive university foundation, allocated $1.9 million for student scholarship support in 2021-22
- Long-term history of fiscal responsibility and unqualified audits
- Renowned teacher-preparation programs
- Successful athletic program with true scholar-athletes
- Attractive campus in picturesque community

### Challenges

- Oldest average-aged buildings of NDUS campuses carry significant deferred maintenance
- Extending prospective student market beyond traditional recruiting region
- Recruitment and retention of faculty and staff
- Adjustments to state budget realities

### Needs

- Life safety improvements: fire alarm system upgrades, emergency egress and ADA accessibility improvements, emergency power enhancements, card access for academic buildings
- McCarthy Hall updates and renovation to serve as the home for the school of education and technology education
- McFarland Hall (main building) tuck-pointing, air-handling systems, classroom renovation
- Student Center renovation/repurposing

### Priorities

- Providing students with high-quality educational experiences and engaging co-curricular activities
- Student recruitment, retention and completions
- $25 million capital campaign
- Physical plant improvement

## ORGANIZATION AND GOVERNANCE STRUCTURE

**President:** Alan LaFave

**Leadership Team** *Effective 7/1/2022*

- Larry Brooks, VP for Academic Affairs
- Erica Buchholz, VP for Business Affairs
- Erin Klingenberg, VP for Student Affairs
- Erin Heide, Director for Enrollment Services
- Cory Anderson, Executive Director of University Advancement
- Joseph Tykwinski, Chief Information Officer
- Dennis McCulloch, Interim Athletic Director
- Tammy Jo Anderson Taft, Director for Marketing and Communications

## FACULTY/STAFF STATISTICS

- Total faculty/staff FTE: 215
- Tenured faculty: 57%
- Full-time faculty with terminal degrees: 52%
- Student-to-faculty ratio: 12:1

## STUDENT DEMOGRAPHICS

**Total Undergraduate Students (Fall 2021):** 1,523

- Full-time undergraduates: 819
- Part-time undergraduates: 704

**Total Graduate Students (Fall 2021):** 163

- Full-fime graduate students: 7
- Part-time graduate students: 156

**Total Enrollment (Fall 2021):** 1,686

**Online Only (Fall 2021):** 26%

**Degrees Conferred in 2020–21** (408)

- Certificates: 74
  - Undergraduate certificates: 58
  - Graduate certificates: 16
- Master's degrees: 36
- Bachelor's degrees: 295
- Associate's degrees: 3

**Student Achievement Measures (SAM) Completion Rates at 6 Years (Starting Fall 2015):**
53% first-time, full-time (49% transfer cohort)

## FINANCIALS

**FY21 Operating Budget (2020–21)**

$10,270,710 State General Fund
$ 7,712,945 Tuition & Fees
$ 9,058,545 Other Funds
$27,042,200 Total

**Special Budget Considerations**

- $32 million Center for the Arts (opened spring 2022)
- $408,000 Extraordinary Repair 2:1 Match (match completed)
- $309,137 Tier 2 Building 1:1 Match (match completed)
- $500,000 Tier 3 Building 2:1 Match

**2020-21 Completed Student Credit Hours:** 33,526

**2021–22 Cost to Attend (Tuition and Fees)**

- In-state: $6,364
- Out-of-state: $11,137

NORTH DAKOTA UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

VALLEY CITY STATE UNIVERSITY

May 2022

# McCarthy Hall CLASSROOM SPACE

CURRENT

RENDERING

# McCarthy Hall COLLABORATION SPACE

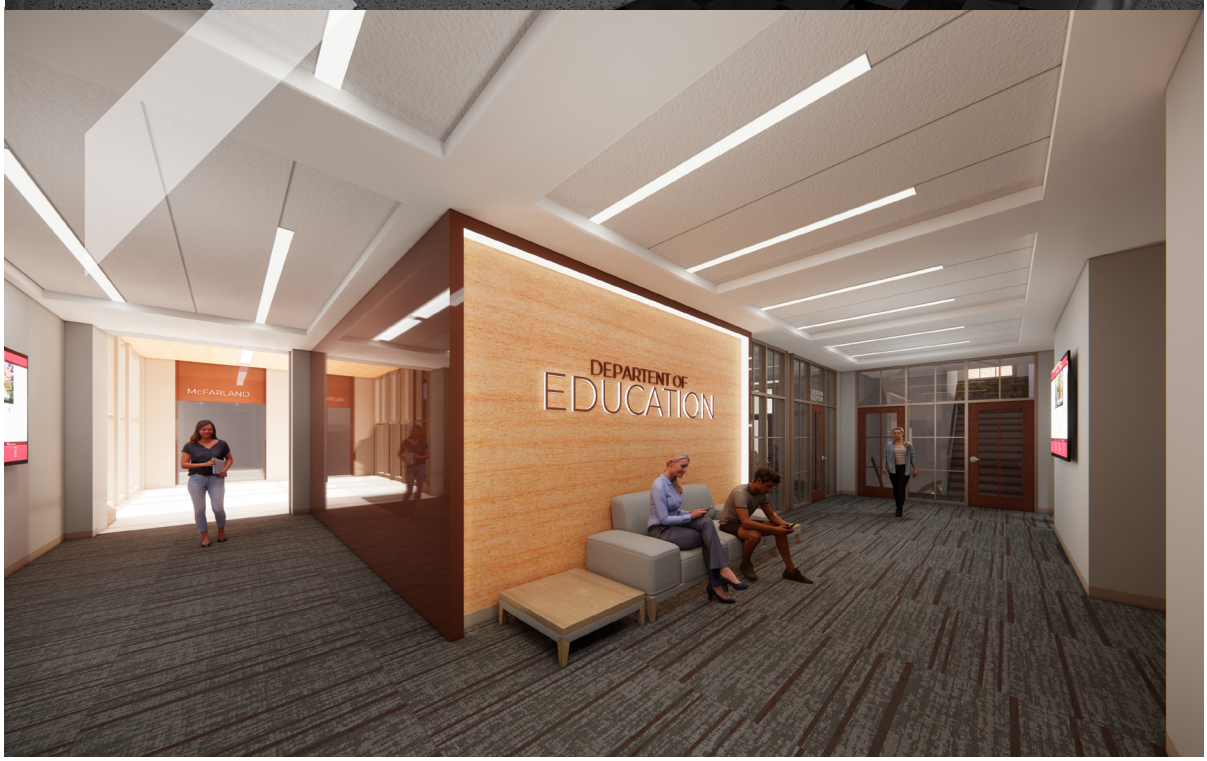
CURRENT

RENDERING

# McCarthy Hall SCHOOL OF ED ENTRANCE HALL

CURRENT

RENDERING



# McCarthy Hall SCHOOL OF EDUCATION SPACES

CURRENT

RENDERING

# McCarthy Hall TECHNOLOGY EDUCATION

CURRENT

RENDERING

VALLEY CITY STATE UNIVERSITY

# THE BULLETIN

A Publication for Alumni & Friends of Valley City State University

ISSUE 071662 I NOVEMBER 2022

# The Changing Landscape of Education

VCSU is a leader in preparing teachers. Alumni serving at schools across the state offer their thoughts on the state of education, how prepared new teachers are to face challenges and bright spots they see in their field. Read More - PAGE 6

# THE BULLETIN

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*Cover Photo - Caitlyn Fischbach of Aberdeen, S.D. works with a child. Photo by Jerilyn Beckman*

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**Learn more at vcsualumni.org**

**1-800-532-8641 EXT 7203**

# VCSU leads in education and innovation in teacher preparation

## President Alan LaFave, D.M.A.

Greetings from Valley City State University!

Wherever I travel in North Dakota and surrounding states, one of the most recognized and celebrated centers of excellence on the VCSU campus is the School of Education. With over 1,438 educators serving as teachers and administrators in 323 schools throughout North Dakota, we are proud to be positively known for this excellent program and continue to find ways to lead from the front.

Here are just a few additional data points illustrating the success of our program:

VCSU was ranked as the top elementary education program in the nation by Study.com in 2021.

Our Rural School Partner Benefit program continues to build collaborations with partner schools to help teachers obtain a master's degree by offering a 50% tuition waiver to qualified applicants.

We graduated 115 elementary education students in 2021-22, more than any other North Dakota institution.

Our collaborative elementary education program with North Dakota State University is providing real-life in-classroom experiences and valuable experiential learning for our students in West Fargo.

The innovative substitute teacher program provides hands-on experiences for our students at an early stage in their coursework, preparing them for successful student teaching experiences and careers as educators.

The success and placement of our graduates are positive performance indicators of the program, but we all know we must do more to encourage, recruit, prepare and retain teachers for the workforce needs of today and future years. With nearly 400 unfilled teaching positions available in North Dakota at the beginning of the 2022 school year, this need is more apparent than ever. Teachers are needed in every grade level and content area.

Under the leadership of Dr. Allen Burgad, Dean of the VCSU School of Education, we were recently chosen as the recipient of a $600K grant from the Department of Public Instruction to provide scholarship assistance and a pathway for current paraprofessionals and substitute teachers to obtain their licensure. This grant helps illustrate the confidence that many stakeholders have in our ability to make a difference in this important work. Congratulations to all who helped develop the innovative proposal and secure these funds to address the ongoing teacher shortage.

Those choosing a career path in education have our deepest respect and gratitude for their willingness to join a noble profession and help address one of the most critical workforce needs in our state, region and nation. Valley City State University is dedicated to continuing the important work to which we have been committed since our founding and we pledge to continue leading in this effort.

Go Vikings!

## 58th Annual North Dakota Suncoast Luncheon in Florida

**Saturday, February 25, 2023 – Social hour begins at 10:30 a.m.**

The annual luncheon will be at the newly rennovated River Wilderness Country Club in Parrish, Florida.
Luncheon and Program – 12 noon (Everyone chooses from a menu and pays at the event).

Please join us! Call Jay Morgan, 941-378-4444 to RSVP and for more information.

# Moving The Needle

Cory Anderson, ’89
Executive Director for University Advancement

Anderson

Campus is alive with construction and innovation and our vision has never been clearer. The numbers prove there has never been a better time to be a Viking.

Support from our alumni and friends has resulted in VCSU becoming one of the fastest growing institutions in the Midwest.

As we approach an enrollment of 1,700 students many contributing factors have played a role, but none so great as your investment in prospective and current VCSU students.

In 2011, we awarded just over $550,000 in annual scholarships. That number rose to just over $1.9 million this past year. The escalation was due in large part to increasing our scholarship values to the highest in the region and by making those scholarships renewable to incoming students. That’s a 245% percent increase in scholarships over that period.

Thank you for helping us move the needle.

The best way we can raise ourselves up is by doing something for someone who will benefit from the Viking experience. The Foundation Office focus will always be to improve our position and help VCSU attract and retain a growing, diverse population of students. We will also provide a quality experience for our alumni, friends, campus and community.

It's indeed a GREAT time to be a Viking.

## By the Numbers

**8.6**
million dollar increase in our endowment through the ND Challenge Grant since 2013

**90%**
of our incoming freshmen receive a merit-based scholarship
(80% are renewable)

**37.8%**
of new students received renewable scholarship that covered more than 50% of in-state tuition

**SUBSTANTIAL SCHOLARSHIPS**
per merit in our region

**LESS DEBT**
accumulated by VCSU graduates upon graduation than our regional counterparts

## 2022–2023 VCSU Alumni Board of Directors

**PRESIDENT**
Zach McBeain ’15

**FOUNDATION REPRESENTATIVE**
Dave Bass ’77

**VICE PRESIDENT**
Kendra Krueger ’12

**PAST PRESIDENT**
Paul Keidel ’86

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Robert Keller ’89
Nicholas Lee ’16 MAT ’21
Paul Leier ’85
Stacy Wendel-Monilaws ’02
Tristan Ross ’08
William Tyrrell ’83
Brianna (Johnson) Walsh ’16

## 2021–2022 VCSU Foundation Board of Directors

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Larry Robinson ’71
Paul Sandness ’76
Jerry A. Topp ’74
*Cory Anderson ’89, ex officio*
*Alan LaFave, ex officio*
*Erica Buchholz, ex officio*

# Summer Vikes on Central a Success

In a symbolic and visible display of the important connection between VCSU and the Valley City community, the 2022 incoming freshman class, with current students, athletic teams, staff, faculty, and VCSU Viking family members met at the footbridge and walked as a group to join Summer Vikes on Central. The event was coordinated by the Summer Nights on Central Committee and included many participating local businesses and community members. The event featured live music, shopping and food vendors.

Watch a Summer Vikes on Central recap video

Forward Together

# The perfect match

VCSU's Capital Campaign + Your IRA

Consider VCSU's Forward Together Campaign when making your Year End Planning decisions.

Your IRA Required Minimum Distribution (RMD) would make an excellent gift to VCSU's Capital Campaign.

If you are 70 ½ you can roll over up to $100,000 tax free to the charity of your choice, tax free.

For further information contact your tax accountant or the VCSU Foundation at 701-845-7203.

# VCSU enrolls 4th largest freshman class in school history and sees growth in on-campus student population

## 21% enrollment growth over past decade; Increase in students living on campus

Valley City State University (VCSU) has, for the fourth time in school history, a freshman class of more than 200 students.

Overall enrollment at the university is 1,658 with 205 freshmen. Also included are upper-class students, students pursuing graduate degrees and dual credit students. For the fourth year in a row, the student body has eclipsed 1,650, and there are almost 300 freshmen and transfer students enrolled this fall.

"One of the areas we have seen positive momentum in is the number of students choosing to live in our residence halls. We are very pleased with a 22% increase of students living on campus this semester," VCSU President Alan LaFave said. "This positive occupancy rate reflects an increase in our freshman class size, along with more interest from our returning students to be an active part of our university community."

VCSU has seen enrollment grow by 21% in the past decade. In that time frame, multiple programs and partnerships have helped ensure VCSU continues to meet student and community needs. This includes launching the new Master of Science degree in Business Information Systems and continued collaboration with North Dakota State University to offer a dual degree in Elementary Education. VCSU continues to assist, educate and retain teachers through the Rural School Partner Benefit Program and the innovative substitute teaching component for students admitted to the VCSU School of Education.

"There are so many great things happening on our campus. Our full-time student population has increased from last year. It's also important to note that our retention rates increased from last fall, indicating strong student satisfaction," LaFave said. "You can feel the energy of full-time, on-campus students every day. We are fortunate to have so many wonderful students actively engaged on campus and in our community."

# VCSU selected as top public regional college in North Dakota by U.S. News and World Report

25th consecutive year VCSU has been ranked by the publication

Valley City State University (VCSU) announced it has been ranked as the top regional public college in North Dakota by U.S. News and World Report.

VCSU has been ranked for 25 consecutive years. This year, VCSU also earned the top public college ranking for Best Value in the Midwest.

"This accolade reinforces the fact that VCSU offers a valuable and high-quality educational experience for every student," VCSU President Alan LaFave said. "For a quarter of a century, we have been ranked by U.S. News and World Report as one of the best colleges in our region. Our faculty and staff are proud to continue that tradition."

The report is based on retention, peer reviews, graduate rates, measures of student excellence, alumni giving rates and the educational expenditure per student.

"VCSU continues to rank in the upper echelon because of the hard work of our faculty, staff and generosity of our supporters," LaFave added. "Our commitment to a quality educational experience reflects in everything we do at VCSU. We are so grateful to have the support of our community, alumni and state as we continue to strive to help prepare students for the future."

The ranking also showed VCSU alumni had the highest amount of giving as compared to all other public colleges in the Midwest.

VCSU was ranked No. 4 in the Midwest category of public regional colleges. The Midwest region includes North Dakota, South Dakota, Minnesota, Wisconsin, Michigan, Ohio, Illinois, Indiana, Iowa, Nebraska, Missouri and Kansas.

## Alumni Anecdotes

### Tyler Manske '22

At VCSU, Manske pursued a degree in music. He paused in 2015 to spend time narrowing down what he wanted to pursue. He met Michael J. Glasgow, a talented North Carolina composer and conductor. The two struck up a conversation about music. Without hearing Manske sing, Glasgow offered him a choir spot for a performance in 2017. Manske later discovered it was scheduled in Carnegie Hall. Manske seized the opportunity, and had a wonderful experience. He returned in 2022 for the world premiere of another of Glasgow's songs.

"To walk the same steps as legends like The Beatles and Tchaikovsky was an honor," Manske said. "As I walked back to the hotel with my tuxedo jacket slung over my shoulder, I was grateful for the experience and excited for the cheap, greasy New York pizza that awaited me."

Manske graduated from VCSU in 2022, and is a communications specialist for Grand Forks Public Health. "Though my degree in music is not in line with my career," he said, "that isn't to say that the broad scope of my education didn't help get me where I am today. Because I had such a solid educational foundation, I was able to take advantage of whatever career opportunities came my way."

# Challenging Times Producing Innovation & Inspiration

Five VCSU alumni share their thoughts on the wins, challenges and hope they see in new teachers graduating from their alma mater

Schafer

VCSU alum and elementary school principal Sara Schafer, '89, loves her job.

"I have a front row seat to the greatest show on earth," she says, laughing. Schafer loves working with students, teachers and parents as the principal at Bennett Elementary within the Fargo Public School system.

In the 33 years she has worked in schools, some things have not changed.

Kids still need a high-quality education and adults who genuinely care about them. Educators still dream of helping every student find their greatest potential and need support from administration and their community to achieve that goal.

But it is clear that education is changing. Filling open positions at schools is challenging. Technology creates opportunities and multiple pressures for teachers and students. Political debates and mental health concerns are all pressures that, at times, rest squarely on teachers' and administrators' shoulders.

We spoke with five administrators about their views on education, what they see in new teacher graduates coming from their alma mater and what brings them the most hope on hard days.

## IF NOT US, THEN WHO?

Brandon Bata, '07, started his college career as a basketball player, became a professional as a math teacher and now serves as a high school principal in Oakes, N.D.

Bata

Although he has only been in education for 15 years, he has already seen many things change.

"There are a lot more things to be aware of now with mental health issues with students and teachers coming to the forefront," he said. "The demands on teachers with technology has increased and it is hard to disconnect."

Finding a balance that offers connection with students, but the ability to disconnect is a narrow path.

"In our district, we are committed to three things: genuine relationships, respect and growth mindset. We have really tried to focus on relationships at the forefront," Bata said.

Those relationships are strengthened through activities, athletics and being involved.

But sometimes it's not enough, and that has impacts on hiring and retention.

"Hiring has been challenging," Bata said. "We have been fortunate to fill all of our vacancies, but it's been extremely difficult."

Bata said there are numerous stressors being placed on teachers' shoulders, that could be contributing to the shortage.

"It's a hard lift and not easy work, but if we are not here doing this important work, then who comes behind us," he said. "If not us, then who?"

One answer to that question could be in classrooms at VCSU.

"VCSU grads are top notch. They are student-first and want to build relationships," he said. "They are extremely prepared. It's one thing to have the skills and another thing to learn how to adapt those skills when changes come up."

## FINDING FANTASTIC PEOPLE

Schafer has also seen the number of applications for open positions at her school decline.

As a principal, she said, the most important job she has is to "hire really great people."

She said it is encouraging to know that many school districts are all trying to come up with solutions for this issue. One way Fargo Public Schools, including Bennett Elementary, have filled some of those gaps is by having future teachers enter the classroom as substitute teachers.

VCSU offers this opportunity to students and partner schools, which helps students gain experience and schools fill critical substitute teacher needs.

Although the future teachers do not have the necessary coursework, it does give them a clear picture of what life as a teacher is like, Schafer explained.

Schafer has also seen bright spots by partnering with colleagues at VCSU to bring practicum students in for reading or science.

Bringing VCSU students in to help elementary learners not only gives the future teachers experience, but also allows full-time teachers time to participate in professional development and other important activities.

"Teachers are all working very hard and they have kids on their minds and hearts all of the time," she said.

"We are expecting teachers to have an average of 20 to 30 students and be everything for them," Schafer said. "You can't pour from an empty bucket. It's important to carve out time for your family and yourself to do those things that make you you. You can't do that if you are doing school 24 hours a day, seven days a week."

*Continued on page 8*

# Teaching and the Numbers

**1,438 teachers**
and administrators in North Dakota are VCSU alumni in 323 schools and 148 communities.

**142 graduates**
received degrees in education last year from VCSU.

**Critical shortage**
On March 10, 2022, the North Dakota Education Standards and Practices Board declared all content areas as "critical shortage" for the 2022-2023 school year.

## IT TAKES A VILLAGE, EVERY DAY

As superintendent of South Prairie School District just south of Minot, Wayne Stanley has also experienced the challenge of hiring crucial employees.

The district tries to keep pay competitive, as to not lose staff to larger markets like Minot, but things are markedly different from when he first graduated from VCSU in 1992.

"It's a totally different hiring landscape," Stanley said. When he graduated, teachers would take jobs wherever one was offered. Now, applicants have the luxury of choosing where they want to be partially because there are so few candidates. He noted they typically get applicants from the region, and rarely beyond.

This has led districts like South Prairie to prioritize investing in people, infrastructure and building a strong sense of community. There is no main street, but they have worked hard to build a strong culture, Stanley said.

"We pride ourselves on being community-oriented. Our expectations are high and we have a good support system of parents," he said. "That is what can make or break a school system. The adage about 'it takes a village' is true."

Part of Stanley's village includes maintaining ties with VCSU. Last school year he was asked to supervise a VCSU student teacher. He agreed instantly. "The world of education requires a level of support within and for each other," Stanley said. "It requires networking between superintendents and colleges."

This type of partnership allows a school to see a student teacher in action with a classroom before potentially offering them employment.

"We see how prepared they are," Stanley said. For Stanley, one of his VCSU student teachers was "hands-down our number one choice."

"What she came out of VCSU with was above and beyond," he said.

Superintendent Stanley with students at South Prairie School.

## PROMOTING EDUCATION AS A CAREER

Retaining new teachers and changing the conversation about education as a profession has been a top priority for fellow superintendent Dr. Michael McNeff, '04.

McNeff

"Recently there has been this push to talk about education and why people are leaving. We must do a better job talking about why we are staying in education," McNeff said. "We have to think about how we are promoting education as a career."

McNeff has led Rugby Public Schools for more than a decade and described how the district uses a grant to offer instructional coaching and mentors. Building a team approach to help everyone improve has worked well.

That team mentality can also help others working in the school, like paraprofessionals, find the support they need to go back to school and get a degree to become a full-time teacher.

This fall, VCSU announced a grant-funded scholarship program to help individuals working as substitute teachers or paraprofessionals in North Dakota schools return to college. The online education courses would help those individuals get their teaching degree.

Creating pathways for more potential teachers is important, but ensuring they have knowledgeable, experienced and caring professors is critical.

"There are several people I think of still like Al Olson, Dave Bass, and many people I have served on various committees with," McNeff said. "When we have hired VCSU graduates they do very well in the classroom."

McNeff also acknowledges that first-time teachers have a different set of pressures when approaching a classroom than when he started as a social studies teacher at Dakota Prairie High School in 2004.

"Educators have a challenging environment to navigate," McNeff said. "Our top educators are working year-round to create a great atmosphere for every student."

That atmosphere creates opportunity for all students, regardless of background.

"I wouldn't be anywhere without a great public education," McNeff said. "Education gives everyone an opportunity to be whatever they want as long as they work hard and have supporting individuals."

## BUILDING STRONG COMMUNITIES

Building a community with a strong network of support is what Greg Dobitz, ’05, is trying to craft at Oakes Elementary.

“First-year teachers are required to have a mentor,” he explained. “Mentors can help with the little things and that is important.”

Oakes, located about 60 miles south of Valley City, has multiple VCSU alumni on staff.

“Our first-year teachers from VCSU are very well prepared,” he said. “Valley City does such a great job not just with student teaching, but with other practicums and requiring their students to be in classrooms. The more teachers can be in the classroom during their college preparation, the more they will learn because of the practical application.”

Graduates with classroom management skills because of their undergraduate student teaching or substitute teaching can help them succeed in their first few years as a professional.

Dobitz

Keeping a new teacher is also a part of the community network Oakes has been building.

To recruit and retain teachers, Dobitz explained Oakes has a retention bonus written into their contract.

Even with incentives, sometimes it is not enough.

“Last year we had a teacher leave halfway through the year and the students finished online,” Dobitz said.

Some of the pressures he sees teachers facing include the need for help with overall staffing, mental health and special education support.

“We need more resources to handle complex situations,” Dobitz explained. Planning is important, but sometimes the best plan can be sidelined.

“Sometimes as a teacher you think you are prepared on Monday for the whole week but by 9 a.m., what you planned is totally out the window,” he said laughing. Winging it is sometimes required to be adaptable, all in the name of helping a kid “get it.”

“It’s that bright spot and why I want to be a teacher,” Dobitz said. “It’s what keeps you coming back, that moment the lightbulb turns on. When you can help facilitate that, there is nothing better, and that hasn’t changed.”

New teacher and VCSU alumna Hannah Dockter, ’22 in her English classroom in Oakes, N.D.

IN THE NEWS

## VCSU receives $600,000 teacher preparation grant to address teacher shortage

Valley City State University (VCSU) has received a $600,000 grant from the North Dakota Department of Public Instruction to help prepare more teachers to fill critical teaching needs across the state. The grant will fund the VCSU Grow Your Own Scholarship Program. This program offers scholarships to individuals aspiring to become a licensed teacher in North Dakota. It is specifically designed for paraprofessionals and substitute teachers working in North Dakota school districts.

# The Future of Education

## McCARTHY HALL RENOVATION

# VCSU's Capital Campaign *Forward Together* – The Case for McCarthy Hall

### Larry Robinson '71, Capital Campaign Director

Significant progress has been made raising the dollars necessary to meet the *Forward Together* capital campaign goals. One of those goals is prioritizing the use of McCarthy Hall as our School of Education and Graduate Studies. This highlights our mission in teacher education. VCSU was founded as a Normal School to train teachers for the schools across the state of North Dakota in 1890, and has remained true to that mission.

Robinson

Built in 1930, McCarthy Hall served as our College High School until 1965. Little has been done to update the facility to meet the educational needs of today. Our plans for a complete refurbishment of McCarthy include modern classrooms, learning labs, updated technology, HVAC improvements, energy efficiency updates and much more. According to Dr. Allen Burgad, VCSU's Dean for the School of Education and Graduate Studies, "The current facility no longer meets the needs of our students. The proposed renovation of McCarthy would enable our university to expand the number of students attending and graduating from our education program."

VCSU's School of Education and Graduate Studies is the largest academic department on campus. With increased enrollment, the need for expanded space for the School of Education is without question. VCSU graduates more teachers than any institution in the state.

In 2021, VCSU's Elementary Education program was recognized as the **number one Elementary Education program** in the nation by Study.com

This fall, North Dakota K-12 schools opened with more than 400 teaching vacancies. VCSU is working hard to respond to this need. The renovation of McCarthy Hall is a critical component necessary to provide the additional updated space for growth in the department.

According to VCSU President, Dr. Al LaFave, "We are excited about our capital campaign and the tremendous impact the improvements identified in the campaign will have on VCSU. These improvements will position us for the next 50 years. We encourage our alumni and friends to join our campaign as we move *Forward Together*."

For further information, contact the VCSU Foundation Office at 701-845-7203.

# VCSU FINE ARTS 2022-2023 CALENDAR

## GALLERY SHOWS

**Nov 7 - Nov. 18**
Senior Art Show
Hannah Aberle
"Let There Be Light"

**Nov 21 - Dec. 2**
Senior Art Show
Laken Chase
“One Step Closer”

**Dec. 5 to Dec. 16**
Senior Art Show
Nicole Hurt
“Hidden Underneath”

## NOVEMBER 2022

**Friday, Nov. 18**
Instrumental Concert
Center for the Arts - 7:30 p.m.

## DECEMBER 2022

**Friday, Dec. 2**
Christmas at St. Catherine’s
St. Catherine’s Church

**Tuesday, Dec. 6**
Non Major Student Recital
Center for the Arts - 11 a.m.

## FEBRUARY 2023

**Friday, Feb. 17**
Instrumental Concert
Center for the Arts - 7:30 p.m.

**Friday, Feb. 24**
Intercollegiate Band
Center for the Arts - Noon

**Saturday Feb. 25**
Intercollegiate Band Concert
Center for the Arts - 3 p.m.

## MARCH 2023

**Friday, March 3**
Choral Showcase Concert
Center for the Arts - 7:30 p.m.

**Friday, March 10**
Lydia Watkins, piano Sr. Recital
Center for the Arts - 7:30 p.m.

## One Step Closer

Laken Chase will have her artist talk presenting her senior exhibit, One Step Closer. Her virtual artist talk is scheduled for November 30, at 2 p.m. and can be viewed on YouTube and Facebook. A reception will follow in the Center for the Arts Gallery on the Valley City State University campus. For anyone unable to attend the show, a virtual exhibit is available on the VCSU YouTube channel.

Laken’s artwork consists of close up photos of flowers, insects, animals and more. Photography has always been one of those things that brought joy to Laken's life. When it came time to choose a topic for her art show, Laken knew right away that she wanted to incorporate her close family dynamic into her photos. By combining her love for the little details and her relationships with her family, the concept of close photography was formed. One thing that fascinates Laken about close photography is the thrill of seeing how close one can get to their subject.

Laken’s art show invites you as the viewer to look within your surroundings and be able to take One Step Closer. After graduation, Laken is excited to pursue opportunities and hopes to find professional work as a photographer in the region. She is looking forward to what the future holds for her.

## James D. Ployhar Honor Band

The 19th annual James D. Ployhar Honor Band performed in the VCSU Center for the Arts Performance Hall on Friday, Oct. 28, 2022. A variety of classical and modern band literature was performed by 95 students selected from 20 schools across North Dakota and South Dakota, featuring selections arranged by Ployhar.

“We are once again humbled by the regional support for our event,” said Jerrold Heide, festival director and music department chair. “Thanks to the efforts of directors and students, we once again offered two quality instrumental ensembles as part of the Ployhar event.”

To mark the first Ployhar event in the newly completed Center for the Arts, the event featured Shawn Sudduth, professor from the University of the Cumberlands (UC) and Tammy Goerger, the instrumental music teacher at Wahpeton Public Schools.

# ALUMNI CORNER

Kim Svenningsen-Hesch, '91
Asst. Director for University Advancement and Alumni Relations

Svenningsen-Hesch

We are halfway through the semester and it's been busy! It was nice to see alumni during homecoming. I hope your return to campus was great and you enjoyed the activities and reconnecting with fellow Vikings. If you have ideas for future events please let us know.

For those that attended the banquets, socials or the Honors Breakfast, thank you for coming and know your presence made them special. Out of all the activities, the Honors Breakfast stands out in my mind. Honoring alumni and listening to the award recipients explain how VCSU helped shape their personal careers is very rewarding. Congratulations to our Viking Hall of Fame inductees and I'd like to give a special shout out to the 2006 softball team. They were inducted into the Viking Hall of Fame. Thank you for coming back for homecoming and attending all the events with your families.

In September we revved up the 3rd Annual VCSU Alumni Motorcycle and Car Cruise and started our VCSU Tuesday social events (photos on the right). Throughout the year, the VCSU Foundation & Alumni has several opportunities to get out and renew friendships, volunteer and get involved. We have VCSU Tuesday social events, music concerts, athletic events, the Scholarship Auction, and the always lovely Medicine Wheel Park. There are many ways to participate. Check out our website for an updated list of events.

Finally, this fall the university launched a mobile app for both Apple and Android devices. Soon there will be a way for alumni to use this app as well! The app is designed for students, faculty, staff, alumni, and prospective students to stay connected and access important VCSU information, as well as provide a single sign-on for all VCSU services. Please watch for details in early 2023 in how you as an alumni can access this new mobile app and get reconnected with VCSU!

## 3rd Annual VCSU Alumni Motorcycle/Car Cruise

The VCSU alumni association hosted its 3rd annual motorcycle/car cruise on Saturday, September 24. The cruise headed north of Valley City this year and stopped at Lake Ashtabula (Hungry Pelican at the Crossing) and the communities of Dazey and Sanborn. It was a beautiful fall afternoon for the cruise and a fun day visiting with alumni and friends of the University.

# Alumni Honored

Seven Alumni were honored during the Valley City State University Alumni Association 2022 Homecoming celebration Saturday, September 17.

On Saturday morning, an all-Alumni Honors Breakfast was held at the VCSU Student Center. The Honors Breakfast provides the VCSU Alumni Association with an opportunity to present fellow alumni with Certificate of Merit, Alumni Service, and the Young Alumni Achievement awards.

## Young Alumni Achievement Award

The Young Alumni Achievement Award was established in 2012 to recognize VCSU's more recent, outstanding alumni as they embark on their chosen paths and strive for greatness. The award is presented to recognize leaders under the age of 40.

Young Alumni Achievement Award: President Alan LaFave, Nicholas Lee, and Zach McBeain, President of the VCSU Alumni Association.

**Nicholas (Nick) Lee '16, MAT '21**

Nick has earned both his bachelor's and master's degrees from VCSU. This fall, Nick became the Principal at St. Catherine's Elementary School in Valley City. He is also the Director for the Community School of the Arts and Arts Administrator of the Bridges Art Council.

Prior to taking the principal position, Nick taught 7-12 grade science at North Sargent Public Schools and was the head Speech Coach and Student Congress Coach for Valley City Public Schools. He has been named 2017 and 2021 State Class A Speech Coach of the Year while coaching the speech team to four state championships and coaching 27 state champions. Nick was recognized with the Distinguished Service Award by the National Speech and Debate Association and achieved one of the highest honors by the National Speech and Debate Association by receiving the Diamond Coach Award.

While attending VCSU, Nick was the Student Senate President and a member of the EBC fraternity.

When asking Nick what graduating from VCSU means to him, he said, "VCSU provided me with a skill set necessary to be successful and helped shape me into the person I am. I graduated with my undergrad and my oldest was in the audience. When I got my master's, all my kids were there. VCSU allowed me to be successful and raise my family. That is so special."

When asked about a special memory of his time at VCSU, Nick had many and wasn't sure how appropriate they might be but settled on being asked to give the Commencement Address on behalf of the students at the December 2021 ceremony.

Nick and his wife, Kaitlen, live in Valley City with their three children (Micaiah, Eliam, and Ezrah).

Alumni Service Awards: President Alan LaFave, Rhonda Fairfield, Charlene Stenson, and Zach McBeain, President of the VCSU Alumni Association.

# Alumni Service Awards

The Alumni Service Award was created to recognize alumni or university friends who have attained exceptional achievement in their careers and have made significant contributions to the University through dedicated service, promotion, financial support or other efforts.

### Rhonda (Hansen) Fairfield '09

Rhonda has been part of our VCSU family for 42 years! She was hired in August of 1980 as Secretary for the Division of Education & Psychology. After 18 years, she took an administrative assistant position with the Title III grant office and in 2000 moved to the Vice President of Academic Affairs office. Then in January 2008, Rhonda moved to the VCSU President's Office, where she was the Executive Assistant until her retirement in 2021.

Rhonda was part of offering ropes course team building to our VCSU freshmen for 25 consecutive years. She also served as a Learning to Live (L2L) instructor and offered training to the L2L student mentors annually.

The Student Senate named Rhonda the Student Advocate of the Year in 2014. She has been a member of the V-500 Board of Directors helping raise dollars for academic scholarships and coordinating the silent auction for the annual VCSU Scholarship auction.

When asked what being a VCSU graduate meant to her, Rhonda replied "Completing my degree was a 29-year process that I will never regret. Learning in the classroom and on the job were invaluable to becoming the person I am today."

Her special memory of her time at VCSU includes being part of the 2009 graduating class with her son, Matthew, and being able to present him with his diploma that same day.

Rhonda and her husband Dan, also a graduate of VCSU, live on a farm near Valley City and have three grown children along with one granddaughter.

### Charlene (Stromsodt) Stenson '83

Charlene first came to VCSU as a freshman in 1979 and was recruited to the campus to play basketball. She also participated in softball and track and field and graduated from VCSU in 1983 with a teaching degree in physical education. Following a career of teaching and coaching at various schools and levels in North Dakota as well as in Limon, Colorado, Charlene returned to begin her career at VCSU as an admissions counselor in 1999. Charlene retired this summer as VCSU's Director of Enrollment Services, a position to which she was appointed in 2008. Under Charlene's leadership, the University has seen a jump in enrollment growth.

During her time at VCSU, Charlene has served on the Viking Booster Board, was named Fan of the Year in 2010, and received the Employee of the Quarter award in Spring of 2012.

Charlene was inducted into the Viking Hall of Fame in 1995 for her role on the VCSU women's basketball team from 1979-1983.

When asked what being a VCSU graduate meant to her, Charlene replied, "I am so proud to be a VCSU graduate. The university gave me the opportunity to build my confidence and develop my leadership skills. When I think of VCSU, I think of family because that is what it was for me as a student! Support, encouragement, going the extra mile and dedication to being successful encompasses the VCSU family."

Charlene and her husband Dean reside on a farm near Sanborn. The Stensons love the outdoors and engage in various outdoor activities throughout the year such as hunting, fishing, gardening and snowmobiling.

Certificate of Merit Award: President Alan LaFave, Jason Edwards, Annette Beattie, Marcy Svenningsen and Zach McBeain, President of the VCSU Alumni Association. Not pictured: Kim Schneider.

# Certificate of Merit Awards

The Certificate of Merit was established to recognize alumni for accomplishments, service or other noteworthy honors. This year's alumni honorees, listed with their accomplishments and accolades, include the following:

### Annette (Peterson) Beattie M.Ed. '08

Annette is the Technology & Engineering teacher and the Robotics Coach at Valley City Public Schools.

- Valley City Public School Teacher of the Year
- ACTE New Tech Ed Teacher of the Year
- ITEEA Teacher Excellence Award
- ITEEA Program Excellence Award
- Technology Student Association Chapter Excellence
- Technology Student Association Advisor of the Year

### Jason Edwards M.Ed. '09

Jason is a 7th Grade Life Science Teacher along with Head Girls Cross Country and Assistant Girls Track Coach at Fargo Public Schools.

- EDC Girls Cross Country Coach of the Year – 2018
- ND State Girls Cross Country Coach of the Year – 2018
- USA Track and Field Coach of the Year for ND – 2018
- Five-Time Teacher of the Year Nomination for Fargo Public Schools
- "40 Under 40" Recipient at National High School Coaches Convention – 2019
- Five State Championships in Girls Cross Country
- Four State Championships in Girls Track & Field

### Kim (Ihry) Schneider '96

Kim currently serves as the Title I/Reading Interventionist with Langdon Area Schools.

- Cavalier County Teacher of the Year – 2021
- Langdon Area Schools Teacher of the Year – 2012

### Marcy (Borg) Svenningsen '81

Marcy is the State Director with the ND Farm Service Agency. Prior to that she was the Financial Director for 35 years at the Open Door Center in Valley City.

- Marcy has received recognition for her time and contributions she's made on the various boards she has served on and been an advocate for the ag community. She was appointed by President Joe Biden as the State Executive Director of the Farm Service Agency this past February.

# 2022 HOMECOMING

The Valley City State University Foundation and Alumni Association welcomed alumni back to campus for VCSU Homecoming the weekend of September 16 and 17.

"We loved seeing familiar faces and welcomed our Viking family back to campus," Executive Director for Advancement Cory Anderson said. "It was a great chance for our Alumni to catch up with old friends, and to see what has happened on campus and in the community."

"There were many events planned for the weekend. Many of our alumni, community members, students, faculty and staff attended," Assistant Director for Advancement & Alumni Relations Kim Svenningsen Hesch said.

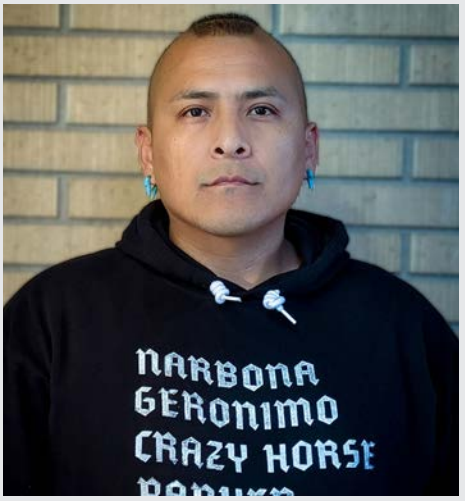
The 40th Annual Bill Osmon Fun Run kicked off VCSU Homecoming week on Monday, September 12.

On Friday, Sept. 16, alumni were welcomed back with an ice cream social in the Student Center Lounge. A Hall of Fame Social, Banquet and Ceremony honored inductees on Friday evening at the Valley City Eagles.

New this year was a VCSU Walking Tour. The tour highlighted some of our most notable places on campus along with the chance to see our new Center for the Arts.

The Alumni Honors Breakfast took place Saturday morning followed by the parade. VCSU Football took on Dickinson State University. There was a post-game All Alumni & Friends Social following the football game at the Valley City Eagles with a college student and alumni dance after.

# Alumni Anecdotes



## Dewayne Dale '07

Sports had always been part of Dale's life—personally, academically and professionally. Growing up, he participated in athletics across the board, eventually earning a baseball scholarship from VCSU. In school, Dale earned a health science degree and went on to pursue a master's in athletic training.

Eventually, Dale's love of athletics—and sneakers—turned into a passion that could not be contained to a hobby. He returned to school and earned a third degree in industrial design, going on to work for an innovation team that served brands like KEEN Footwear and Chrome Industries. Dale's own signature sneaker line, FIFTH, was created in 2020. In an interview with Nice Kicks, he said "I honestly want to be able to influence a lot of Indigenous artists and designers, but at the same time, I also want to just keep pushing the envelope in terms of the industry." FIFTH combines authentic Native American design with contemporary style.

# Recognizing Viking Greatness

Dennis McCulloch, Interim Athletic Director

It's inspiring to witness greatness. Whether it's Michael Jordan on the basketball court or Tom Brady on the football field, whenever we're able to witness an athlete make history it can be inspiring.

At Valley City State University, we have the honor of recognizing Viking greatness every year when we induct a new class into our Viking Hall of Fame. This year was no different as our Hall of Fame Committee selected five individuals and one team who were among the best ever to play at VCSU. The committee, the Foundation Office and our emcee Cory Anderson all put together a great format to help honor our inductees.

Molly (Anderson) Welstad '03, Loni (Hall) Thilmony '07, Josh Kasowski '05, Matt Johnson '01, Karalea (Morris) Hoyano '07 and the 2006 softball team are all truly deserving of this honor. I had the pleasure of personally watching all of them compete for the Vikings and to see it come full circle with an induction into the Hall of Fame was fitting.

I think anyone who has been around Viking Athletics would confirm their talent level and impact to their programs. They are all truly great representatives of what it means to be in the Viking Hall of Fame. I look forward to seeing their faces looking at me in our Hall of Fame room for many years to come.

All the inductees were terrific athletes, but what we sometimes forget is that they are all amazing people who have represented their family name at a high level on and off the field. All the parents and people (teachers, coaches, etc.) involved in their lives can be very proud of the people they have become and how they are still impacting the world.

Every year that I've been able to attend a Hall of Fame event I'm always inspired by the stories behind how they got to this point in their lives. It's also fun to hear their memories of being a Viking and the types of things they remember. Most of the time, it is not the games or success but the people that they bonded with. It's a reminder that the experiences our athletes take with them are more about relationships and not just about getting that next win. Those relationships help shape who our student-athletes become. And when they become great people, that's inspiring.

# 2022 Hall of Fame

Valley City State University added five individuals and one team to its Vikings Athletic Hall of Fame during Homecoming Weekend.

The Class of 2022 was officially inducted during a ceremony at the Valley City Eagles Club on Friday, Sept. 16. This year's inductees include Molly (Anderson) Welstad '03, Karalea (Morris) Hoyano '07, Loni (Hall) Thilmony '07, Josh Kasowski '05, Matt Johnson '01 and the 2006 softball team.

*Read more about the inductees at www.vcsuvikings.com/halloffame*

# Viking Basketball Starts New Season

The Valley City State University men's and women's basketball teams bring high expectations into the 2022-23 season, looking to build off third-place finishes in the North Star Athletic Association last season.

Valley City State's men went 18-11 overall and 8-6 in conference play last season, while the Viking women were 10-15 overall and 7-7 in conference play.

Combined, the teams have bolstered their rosters with 11 new faces joining the programs. The Vikings started their seasons in late October. Conference play begins on Dec. 3 when the Vikings host Dickinson State University for a doubleheader.

**All Athletics News at VCSUVikings.com**

## 2022-2023 VIKING BASKETBALL SCHEDULE

| | | | |
|---|---|---|---|
| **NOV. 23**<br>Oak Hills Christian College<br>Men - 6 p.m. | **DEC. 30**<br>University of Jamestown<br>Women - 6 p.m. | **JAN. 20**<br>@ Presentation College*<br>Women - 5:30 p.m.<br>Men - 7:30 p.m. | **FEB. 11**<br>Bellevue University*<br>Women - 5:30 p.m.<br>Men - 7:30 p.m. |
| **NOV. 26**<br>@ Augustana University<br>Men - 3 p.m.<br>Oak Hills Christian College<br>Women - 3 p.m. | **JAN. 4**<br>@ Martin Luther College<br>Men - 7 p.m. | **JAN. 21**<br>@ Mayville State*<br>Women -3 p.m.<br>Men - 5 p.m. | **FEB. 12**<br>Dakota State*<br>Women - 3 p.m.<br>Men - 5 p.m. |
| **NOV. 30**<br>Trinity Bible College<br>Women - 5:30 p.m.<br>Men -7:30 p.m. | **JAN. 6**<br>@ Dakota State<br>Women - 5:30 p.m.<br>Men - 7:30 p.m. | **JAN. 27**<br>Mayville State*<br>Women - 5:30 p.m.<br>Men - 7:30 p.m. | **FEB. 16**<br>@ Dickinson State*<br>Women - 6:30 p.m.<br>Men - 8:30 p.m. |
| **DEC. 3**<br>Dickinson State*<br>Women - 3 p.m.<br>Men - 5 p.m. | **JAN. 7**<br>@ Bellevue University*<br>Women - 3 p.m.<br>Men - 5 p.m. | **JAN. 28**<br>Presentation College*<br>Women - 3 p.m.<br>Men - 5 p.m. | **FEB. 22-26**<br>NSAA Postseason Tournament |
| **DEC. 7**<br>@ University of Jamestown<br>Women - 6 p.m.<br>Men - 8 p.m. | **JAN. 13**<br>Viterbo University*<br>Women -5:30 p.m.<br>Men - 7:30 p.m. | **FEB. 3**<br>@ Waldorf University*<br>Women - 5:30 p.m.<br>Men - 7:30 p.m. | **MARCH 7-8**<br>NAIA Opening Round<br>Campus Sites |
| **DEC. 17-19**<br>Hawaii Classic<br>Hilo Hawaii | **JAN. 14**<br>Waldorf University*<br>Women - 3 p.m.<br>Men - 5 p.m. | **FEB. 4**<br>@ Viterbo University*<br>Women - 3 p.m.<br>Men - 5 p.m. | **MARCH 13-18**<br>NAIA National Tournament<br>Women - Sioux City, Iowa<br>Men - Kansas City, Missouri |

MEN'S BASKETBALL SCHEDULE

WOMEN'S BASKETBALL SCHEDULE

# Fall Sports HIGHLIGHTS

The Valley City State University fall sports seasons have been in full swing our teams have enjoyed great weather during the first half of their seasons. A few highlights included a large crowd on hand for the annual VCSU Ag Bowl football game, and Viking Volleyball earning a four-set victory over Dakota State University – a team that was receiving votes in the national poll. Riley Gerhardt (football), Bailey Nelson (volleyball) and JayCee Richter (volleyball) have all earned conference Player of the Week honors this season. For the latest results, stories and photos, follow the Vikings at www.vcsuvikings.com.

2022-2023

# VCSU TRACK & FIELD

## INDOOR

**Dakota Alumni Classic**
Dec. 2-3 - Fargo, N.D.

**U-Mary Indoor Opener and Multi**
Dec. 9-10 - Bismarck, N.D.

**Mike Thorson Open**
Jan. 14 - Bismarck, N.D.

**VCSU-UJ Dual**
Jan. 17 - Jamestown, N.D.

**Cobber Open**
Jan. 21 - Moorhead, Minn.

**UND Indoor Open and Multi**
Jan. 28 - Grand Forks, N.D.

**Bison Open and Multi**
Feb. 3-4 - Fargo, N.D.

**SDSU Indoor Classic**
Feb. 10-11 - Brookings, S.D.

**NSAA Indoor Championships**
Feb. 19 - Brookings, S.D.

**NAIA Indoor National Championship**
March 2-4 - Brookings, S.D.

## OUTDOOR

**Yellow Jacket Spring Open**
March 24-25 - Spearfish, S.D.

**Al Bortke Open**
April 1 - Bismarck, N.D.

**Blue Hawk Games**
April 14 - Dickinson, N.D.

**Al Casssell Classic**
April 15 - Jamestown, N.D.

**Bison Open**
April 21-22 - Fargo, N.D.

**VCSU Viking Twilight Meet**
April 26 - Valley City, N.D.

**Ron Masanz Classic**
April 29 - Moorhead, Minn.

**NDSU Tuneup Meet**
May 5 - Fargo, N.D.

**NSAA Outdoor Championships**
May 11-12 - Madison, S.D.

**NAIA Outdoor National Championships**
May 24-26 - Marion, Ind.

MEN'S INDOOR SCHEDULE

WOMEN'S INDOOR SCHEDULE

# Join VSCU Students in Costa Rica and Argentina in 2023

**Volunteer your time and talents.**
**Practice your Spanish skills.**
VCSU has two upcoming travel opportunities this year for students and alumni with the Global Exploration Club.

**Heredia, Costa Rica - March 2023**
**Buenos Aires, Argentina - May 2023**

More information is available by contacting Dr. Kiersten Baughman at kiersten.baughman@vcsu.edu, and the club accepts donations of any amount via their university fund at https://vcsu-ndus.nbsstore.net/study-abroad-trips

# Just Married

Send us your wedding photo so we can include it in the next issue of **The Bulletin**. Email the photo and a short description to kim.hesch@vcsu.edu.

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**1 - Ryan McCulloch '10** and Kristin Mussar were married July 23, 2022. They live in Bellevue, Wash. where Ryan works as a software engineer for Microsoft, adding buttons and bugs to your favorite business software, and Kristin works as a data scientist for Seagen, developing cancer treatments and convincing her fellow Ph.D.s that PowerPoint is not an appropriate data storage solution. They are cared for by their two cats, Jasper and Zarya, who live wonderful lives not working at all.

**2 - Jenna Guttormson '12** and Dan Edenborg were married September 9, 2022 in Fargo, N.D. Jenna not only gained a husband, but three bonus sons as well, Liam, Bennett and Mac. The family lives in Hillsboro, N.D. Jenna is a school psychologist for the Area Special Education Cooperative in East Grand Forks and Dan works for BNSF Railway.

**3 -** Diane Le and **Nick Faure '12** were married September 17, 2022. Nick is a 2012 graduate of VCSU and went on to earn his Doctor of Dental Medicine (DMD) from Oregon Health and Science University, in Portland, Ore. in 2016 where he practices general dentistry at Pike Creek Dental. Diane works as a Ph.D. Senior Scientist in Merck pharmaceuticals discovery process chemistry department. She works on developing green and sustainable chemistry towards long term manufacturing routes of pharmaceutical drug candidates. The couple currently reside in Wilmington, Del.

**4 - Kelsey Labodi '16** and Zach Hennes were married September 18, 2021.

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**5 - Barbara Ector '16** and Erick Dameron were married March 25, 2022, and live in Phoenix, Ariz. Barbara is a CPA working for Troon, and Erick is a director of IT.

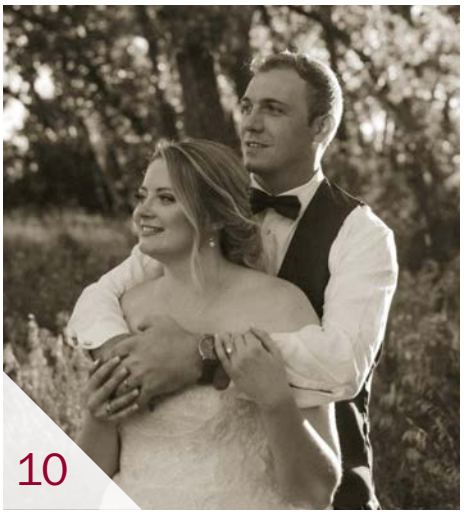
**6 - Jessica Burns '18 and Isaac Yturralde '19** were married July 9, 2022.

**7 - Harley Mairs '19** and **Jesse Vavra '17** were married May 21, 2022. They met in college and started dating in 2016. They still live in Valley City where Jesse works at Smith Lumber Company managing the warehouse and selling Winkler Structures. Harley will start her 4th year teaching mathematics. She started in a new position at Valley City Public Schools teaching 7th grade math.

**8 -** Miriah Yoder and **Eli Luna '19** were married June 18, 2022.

**9 - Leah Ruter '20** and **Chris Brogdon '19** were married June 25, 2022.

# Just Married CONTINUED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**10 -** Sean Beilke and **Kayla Brademeyer '20** were married September 3, 2022. Kayla is working as the executive assistant at CHI Mercy Hospital in Valley City. Sean is graduating from VCSU in December with a degree in social science education and is currently student teaching at Maple Valley High School.

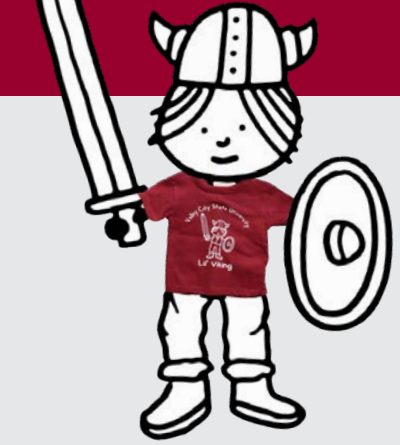
**11 - Yariel Rivera '21** and **Marielle Villarin '20** tied the knot on January 1st, 2022. After living in Fargo for the past year, Yariel will be returning to school for a degree in nursing. Marielle continues to work as a lab scientist in Fargo, N.D.

**12 - Joelle Aiello '21** and **Hunter McCalla '21** were married July 22, 2022, with many VCSU alumni and current students in attendance. Joelle graduated from VCSU with a degree in health science and spent her time on the softball team. Hunter graduated from VCSU with a degree in business administration. They met at VCSU's freshmen year orientation and have been inseparable ever since! They live happily in Clear Lake, Minn. with their dog, Drake, and cat, Parmesan!

**13 -** Djuana Harvey and **Dr. Kendall Coleman MAT '21** were married April 9, 2022. Kendall and Djuana work in the Chicago Public Schools and the couple also live in Chicago, IL.

Not Pictured

Paige Emmel & **Marc Wagner '19**, July 30, 2022
**Jenna Pommerer '22** & **Daniel Biggers '20**, August 6, 2022
Becca Eberle & **Ryan Sand '19**, August 6, 2022
**Tasha Piehl '18** & Eric Thomas, August 26, 2022
Mallory Twete & **Christian Kvilvang '19**, September 4, 2022
**Tara Von Hagen '18** & Thomas Tabatt, September 17, 2022
**Mackenzie Huber '20** & **Carter Buelow '21**, September 24, 2022
**Nisja Bass '17** & Terrion Bell, September 24, 2022



# Lil' Vikings

Have you had an addition to your family?

**Share your good news with the Viking family!**

Contact Kim Hesch at kim.hesch@vcsu.edu to receive a free t-shirt for your new Lil' Viking. Include your baby's name and birth date. After you have your Lil' Viking shirt, send a photo to kim.hesch@vcsu.edu so we can include it in the next issue of **The Bulletin**.

## Ephraim Patrick Atiemo

**February 27, 2022**
**6 lbs, 14 oz., 19 in.**

Amanda (Aune) '13 and Peter Atiemo

## Lena Jo Degenstein

**July 3rd, 2022**
**8 lbs, 12 oz., 21 ½ in.**

Nicole Heinitz '18 and Brian Degenstein

## Hudson Marvin Preston

**June 1, 2022**
**8 lbs, 11 oz., 21 in.**

Ethen '16 and Cassandra (Pautz) '18 MAT '22 Preston

## Reginald "Reggie" Jens Jensen

**December 26, 2021**
**6 lbs, 14 oz., 20 ½ in.**

Preston '13 and Chelsey (Dockter) '13 Jensen

## Owen Stephen Bitter

**November 13, 2021**
**6 lbs, 11 oz., 20 ½ in.**

Katherine (Gerntholz) '16 and Alex Bitter

## River Patricia Ann Miller

**September 17, 2021**
**8 lbs, 3 oz., 21 in.**

Dustin '19 and Clarissa (Olson) '19 Miller

## Stella Grace Ingberg

**June 16, 2022**
**7 lbs, 13 oz., 21 in.**

Siblings: Selah (7) and Olivia (1)

Elisa (Ailie) '11 and Devlan Ingberg

## Bentley Waylan Erickson

**May 5, 2022**
**6 lbs. 11oz., 19.5 inches**

Amanda Starr '18 and Christopher Erickson

# Vikings on the Move

Submit your latest news to alumni@vcsu.edu

## CLASS OF 1945

**Emily (Braxmeyer) Joy '45** along with her daughter, Cecelia, visited the campus the weekend of October 7 and 8. They toured the Center for the Arts and attended the VCSU Music Departments Choral Showcase. Emily is a retired music teacher. She was greeted by President LaFave at the musical showcase.

## CLASS OF 1980

**Edward Stipp '80** was a student assistant for Coach Anderson for the 1978-79 men's basketball team. Mr. Osmon was the Athletic Director and Ed remembers taking classes from Dr. Grooters and Jim Dew. After graduating, Ed received a grad assistantship at NW Missouri State University and earned two graduate degrees (school administration and athletic administration) and ABD while at Ball State University in his home state of Indiana. He has always been a teacher but had roles in boys varsity basketball and as a principal and superintendent. He took an early release and buyout from Indiana University (Kokomo campus) in 2011. That allowed him to travel to Vietnam over 10 times to help university students there. Currently, he is an education consultant and helps Asian (Burmese, Vietnamese, Chinese and Filipino) families/students in his community.

## CLASS OF 1990

**Sherry (Springer) Sunblad '90** and her husband Mark celebrated their youngest daughter's, Ellie, high school graduation this past June. Also in June, daughter Staci Jo married Jonny Housman. They also celebrated Sherry's niece **Harley Mairs '19** as she wed **Jesse Vavra '17**. It was a very busy start to their summer.

**Paula (Twamley) Heinze '90** is living in Phoenix, Ariz. She has been widowed seven years and recently became engaged. She says at her age, she's living the life. Paula has three adult children, seven grandchildren and eight great-grandkids. Paula loves living where she can attend her favorite games all year (go Sun Devils, Cardinals and Diamondbacks). She also loves the mountain trails and beauty of the desert, dancing, theaters and traveling; there is always some place to go and see. Paula would love to hear from her classmates. Heinzepaula.06@gmail.com.

## CLASS OF 2008

**Megan (Nodland) Wald '08**, of Kintyre, a business education instructor at Linton High School and adjunct business teacher for the North Dakota Center for Distance Education in Fargo, was a finalist for the 2023 North Dakota Teacher of the Year award.

# Alumni Anecdotes

On Monday, Aug. 8, 2022, VCSU professor **Lisa Krumwiede '08, M.Ed '17** was named Teacher Educator of the Year by the North Dakota Association of Career and Technical Education. The winners were announced at the N.D. Career and Technical Education Professional Development Conference in Bismarck.

## CLASS OF 2013

**Marissa (Oestreicher) Motschenbacher '13** and her husband just finished building a new house in Lidgerwood, N.D. Marissa teaches 6th grade at Lidgerwood Public Schools and coaches fastpitch softball.

## CLASS OF 2019

**Dierra Diegel '19** began applying to different law schools during her senior year at VCSU, ultimately deciding to stay in-state and attend a three-year program at UND's law school. After graduating from UND School of Law in the spring of 2022 with her juris doctorate, she sat for and passed the North Dakota bar exam. Finally, after also making it through the character and fitness process, Diegel was admitted to the ND Bar Association.

On September 23, Diegel, along with 36 other new lawyers, were admitted to the North Dakota bar. She is currently at SW&L Attorneys in Fargo, ND practicing criminal defense for both adults and juveniles. She serves in N.D. and is currently in the process of earning licensure in M.N. and the N.D. Federal Court.

**Hannah Schlecht '19** and **Beau Diegel '16** were married August 6, 2022. They celebrated with several people from the VCSU family. Once a Viking, Always a Viking.

### Tracy Yorks '17

Tracy's career spans two decades with experience in the Technology, Hospitality and Beauty industries. Since her days at VCSU, Yorks has had a successful career in marketing working with several companies including Estee Lauder Companies and L'Oreal USA. While working for L'Oreal, she served as the Associate Vice President of CRM and Loyalty for The Body Shop USA (TBS). TBS fights for a fairer world through community trade, sustainability, all-natural products and showing that business can be a force for good. When L'Oreal sold TBS to Natura & Co., a Brazilian cosmetics group, Tracy was promoted to Head of Marketing, U.S. During her tenure, the company initiated in-store recycling and was awarded the inaugural Compassionate Corporation Award by Born Free USA. Tracy is now with SeaWeed Naturals where she shares her knowledge of sustainable practices and environmental action with impact focused brands.

# In Remembrance

**Helen (Winter) Noeske '51**, Valley City
**Jacquetta (Personius) Stricklin '51,** Valley City
**Ken Schatz**, Linton, N.D.
**Lois (Berg) Wieck '56**, Marion, N.D.
**Jacob "Jack" Sitter '59**, Marion, Iowa
**Irene (Langdahl) Visby '60**, Fargo, N.D.
**Robert Rieth '62**, Valley City
**Anita (Wessels) Woodbury '63**, Wahpeton, N.D.
**Douglas Ferguson '64**, Fort Benton, Mont.
**Deloris (Boschee) '64**, Wishek, N.D.
**Susan (Kapaun) Taft '64**, Minot, N.D.
**James Vetter '67**, Bismarck, N.D.
**Charles Salvi**, Fargo, N.D.
**Judith (Stuart) Andahl '70**, Katy, Texas
**Liv (Lundeby) Bjorlie-Halvorson '72**, Grand Forks, N.D.
**James Fuhrer '74**, Devils Lake, N.D.
**Joyce (Sad) Gardner '76**, Horace, N.D.
**Julie (Brosz) Wayne '76**, Jamestown, N.D.
**Lorri Isakson '84**, Sheboygan, Wisc.
**Dorothy (Swanson) Reiten '88**, Valley City
**Amy (Fossen) Anderson '96**, Heimdal, N.D.

**Pat Barr,** Moorhead, Minn.
**Bonnie Byberg,** New Rockford N.D.
**Wayne Fiebiger,** Cooperstown, N.D.
**Robert Miedema,** Valley City
**Lee Samson**, Fargo, N.D.

### Former Faculty & Staff

July 26, 2022 – **Marjorie Eggert**, Valley City
July 28, 2022 – **Leslie (Hovel) Sullivan '87**, Fargo, N.D.

## Margie Eggert - Accounts Receivable Specialist 1989–2011

Marjorie (Margie) Ellen Eggert, 70, of Valley City, North Dakota, passed away, Tuesday, July 26 surrounded by her family and dear friends.

Marjorie was born December 20, 1951, in Valley City to Wayne and Shirley (Stroh) Hanson. She grew up in Kathryn, ND and at the age of five, moved to Rogers, ND, where she was baptized and confirmed, at Bethel Lutheran Church in Rogers, ND. She graduated from North Central High School in 1969. Following high school, she attended and completed her year course at Wahpeton State School and was proudly a "Wildcat Kitten."

On May 1, 1971, Margie married Gale (Buzz) Eggert at Trinity Lutheran Church in Valley City, N.D. and celebrated 50 years of marriage before Buzz passed away on August 22, 2021.

Margie enjoyed spending time in Arizona and at her lake home on Lake Lizzie in Minnesota, but most importantly quality time with family and friends. She was a pillar of strength for her husband, children and loved ones. There was never any doubt that her faith and her family were her main priorities in life.

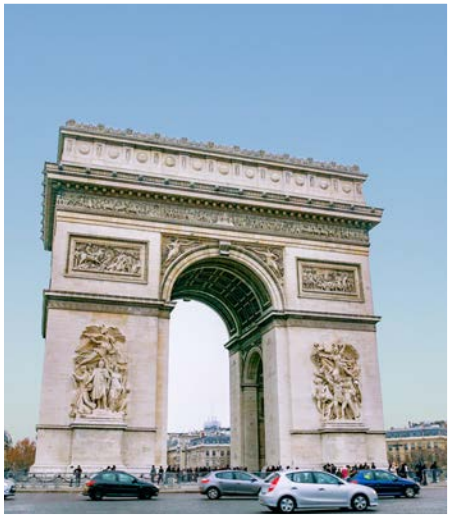
Margie valued life on the farm while also working in the offices of 1st National Bank, Washington Elementary School and then retiring after 21½ years on December 15, 2011 from Valley City State University.

**In 2024**

# See WWII History In Person

### Travel with VCSU through Europe
### Explore WWII and the Liberation of France

VCSU would like to invite alumni and friends to join us on a nine-day trip to Europe. The trip includes a visit to the War Room in London, the Imperial War Museum, a ferry trip across the English Channel to the Beaches of Normandy, the town of Caen, Paris, along with many other sites. For more information contact Dr. King at steven.king@vcsu.edu.



# Continuing the Connection

If you know the address of any of these individuals, please contact the VCSU Foundation Office at 1-800-532-8641 ext. 37203 or email alumni@vcsu.edu.

## 1965
Beverly Anderson
Margaret Corrigan
Nancy (Foley) Kjelgaard
Kenneth May

## 1966
Kenneth Hanson
Janet (Fitzgerald) Hunter
Judy (Botnen) Krush
Susan (Lloyd) Pederson
Candace (Vail) Quick
June (Gale) Wicks

## 1967
Arla Johnson
Harold Kjelgaard

## 1968
Carol (Amoth) Aamodt
Betty (Salzwedel) Anderson
Gwen (Berger) Arnold
Linda Groth
Shirley Jorgensen
Alan Lindemann
Joyce Rice
Chuck Sjostrom

## 1969
Linda (Hood) Field
Ronald Haugen
Peggy (Lipp) Larson
Christy Miller
Lucille Olson
Orville Olson
Judy (Torson) Olson
Glen Roberts

## 1970
James Koch
Ellen (Robinson) Larson
Patricia Moe

## 1971
William Albert
Phyllis (Hanson) Christianson
Vance Gillette
Ruth (Anderson) Goll
Larry Hehr
Laura Jacobson
Kathryn Jones
Astrid Mills
Glende Olson
M. Pederson
Richard Pederson
Albert Ruckaber
Marland Sarles
Mari Shaw
Jane Thoemke
Linda Thompson
Daniel Welander

## 1972
Linda (Evanson) Blasczyrk
Dennis Clark
Larry Exner
Susan Ferguson
James Friskop
George Hanna
Steven Hoffer
Muriel King
Bill Martell
Sandra Olson
Marlys Palmer
Susan (Roller) Selle
Marilyn (Sims) Sudbeck
Rita Vandrovec
Richard Wright

## 1973
Lane Bergman
Debra (Scoular) Broome
Rayanne (Doyle) Dahl
Hidemasa Ioka
Nancy (Raveling) Persons

## 1974
Robert Becker
Rachel Koehn
Gerald Nagel
Rosemary Olson
Phillip Schmidt
Thomas Weinmann
Marcia (O'Brien) Weisser

## 1975
Robert Dahl
Larry Hanson
Edna Olson

# Your Gift Multiplies with the Challenge Grant

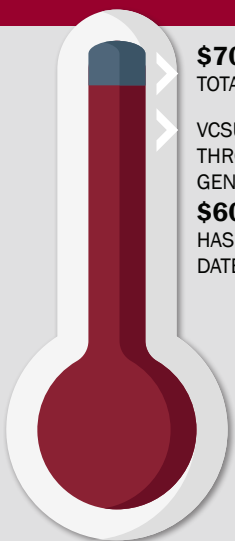
Submit gift by December 1, 2022 to make ever dollar given go twice as far.

Gerald and Cindy Urlaub
West Fargo, N.D.

### NORTH DAKOTA CHALLENGE FUND MAKES YOUR GIFT GO FURTHER

**Matching dollar pledges are allowed over a seven year period. Leveraging a portion of an estate to receive matching dollars is also available.**

With a minimum $5,000 endowment gift to VCSU through the VCSU Foundation, you may benefit from a North Dakota income tax credit equal to 40% of the charitable gift AND also qualify for your donation to be matched $1 for every $2 you give.



**$700,000**
TOTAL MATCH AVAILABLE

VCSU IS ALMOST THERE THROUGH THE HELP OF GENEROUS DONORS.

**$608,736**
HAS BEEN RAISED TO DATE.

VCSU

Valley City State University
**Alumni Association**
**101 College Street SW**
**Valley City, ND 58072**

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**PARENTS: If this issue is addressed to your son or daughter who no longer lives at this address, please contact the Alumni Office with an updated address at alumni@vcsu.edu or 701.845.7203. Thank you for your help in keeping our records current.**

## SIMPLE WAYS TO GIVE BACK

Your gift, no matter the size, can make all the difference to a student in need. In supporting student scholarships, you are creating a lasting impact.

**PLEDGE:** A pledge of $1,500 or $3,000 over four years provides a scholarship in that value for a deserving student. You choose the frequency of fulfilling your pledge.

**RECURRING GIFT**: Monthly gifts, spread out over the year, make a BIG impact and are a convenient, affordable and flexible way of supporting VCSU.

**ONE TIME GIFT**: Cash, gifts of grain, commodities, marketable stocks, bonds or mutual fund shares have an immediate impact on VCSU and for you. Contact the Foundation office if this is your preference.

## HOW CAN YOU SUPPORT VCSU STUDENT SCHOLARSHIPS?

**GIVE ONLINE**: fast, easy and secure. Use our online form at give.vcsu.edu to make your gift of choice.

**MAIL YOUR GIFT**: give by check or credit card using the enclosed form. Choose your frequency of payment and return to our office.

# Forward Together

VCSU Strategic Plan 2022-2025

VCSU will be the region's preferred institution for students seeking transformative, quality experiences, and meaningful connections.

## **Institution of Choice:** Ensure VCSU grows its regional reputation as the preferred institution for an increasing number of students

This objective involves strategically utilizing a variety of our resources for growth, development, and retention.

### **1.1 Recruitment:** All campus departments will identify program capacities, optimization options, potential markets, and employ growth strategies to diversify and increase student enrollments by an average of 3% per academic department each year of plan to reach projected enrollment targets, which will be reported in program updates and reviews

- Strategize further utilization of scholarship funds to broaden impact
- Add or update articulation agreements and utilize them effectively for transfer students

### **1.2 Advising and retention:** Engage Retention Task Force and other efforts to improve student retention by 1% or more in each IPEDS cohort each year of plan

- Enhance academic advising program to improve student success
- Engage academic departments and the entire campus in the recruitment, retention, and success of our students

### **1.3 Marketing and outreach:** Actively promote VCSU's strengths, value, contributions, and distinctive attributes to existing and potential stakeholders and markets, making VCSU the university of choice to work, learn, and grow

- Clearly illustrate student-to-career pathways by utilizing labor market information in catalog and website
- Strengthen connections among alumni and employer partners, expanding number of programs utilizing advisory boards
- Increase and align marketing efforts with departmental communication plans developed with Enrollment Services and the campus marketing plan to clearly articulate our value proposition for our stakeholders
- Build interest and excitement through hosting a variety of campus activities to expose potential students and stakeholders to our campus
- Strengthen Esports and explore adding or maximizing capacities of athletic teams
- Maximize utilization of the new Center for the Arts

## **Quality:** Create quality experiences through innovation

This objective builds on our strengths and tradition of innovation and quality to expand solutions for helping students succeed as career-ready graduates.

### **2.1 Learning and instruction:** Improve program quality through instructional design standards within the digital course content environment, investment in programs and instruction, and agile and responsive curricular processes that support academic innovation and career relevance to transform career-ready graduates in a changing world

**Process improvement and standardization:**

- Document in all academic program reviews external validation or alignment with national specialized accreditation standards and best practices as defined by professional organizations
- Continue faculty development using Quality Matters programming and complete peer reviews according to QM rubric of one course per online program per semester
- Establish common syllabus and LMS course template for consistency and quality
- Hire Director of Online Learning to implement online standards according to nationally established best practices

## **Quality Continued:** Create quality experiences through innovation

New programs and innovation:

- Enrich and update academic experiences and programs into high-demand degrees and credentials utilizing our expertise, labor market data, advisory boards, and alumni feedback
- Assure all students have at least one practical experience opportunity for employment-based engagement and application of learning as part of their academic program
- Encourage innovative programs that energize and inspire using forward-looking technologies and alternative deliveries

### 2.2 Innovation: Develop and pilot at least one project that encourages and supports continuous innovations leading to improved quality, efficiency, and culture

- Develop process for innovation to support VCSU's mission and vision
- Implement integrated planning model and cycle to align other plans and initiatives for improved effectiveness and regularly evaluate progress
- Implement technology advancements maximizing efficiency and quality
- Improve use of data analytics and organizational information through establishing regular data sharing sessions and dashboard availability to provide actionable insight that enhances student success and administrative effectiveness

### 2.3 Facilities and technology: Evaluate and align improvements in facilities and technology with campus and information technology master plans and innovation strategies

- Increase the quality of student life through enhanced safety, security, aesthetics, and functionality of campus-based services
- Renovate and modernize buildings that enable cutting-edge, quality experiences for employees and students
- Integrate IT systems for safety of personal information and ease of access to information

## **Culture and Community:** Cultivate an engaged community that supports innovation, growth, and quality

This objective involves all parts of a community-engaged university - our people and culture, programs and processes, financial resources, and facilities – and how we will continue to cultivate a campus culture where all members of the VCSU community are valued and contribute to a kind, personal atmosphere.

### 3.1 Student engagement: Develop and implement long-term phased planning to enhance quality of place, resulting in a thriving and vibrant campus community to attract and retain students

- Improve student inclusivity, engagement and belonging, measured by increase in student organizational participation
- Create a campus culture task force with students to invoke and assess transformations

### 3.2 Employee engagement: Design and implement human resources policies, procedures, and business processes enabling us to recruit and retain outstanding employees who perpetuate a flourishing culture where all stakeholders work and learn

- Provide professional development and fulfillment opportunities fairly and regularly to develop and retain satisfied, quality employees
- Identify and address employee issues through adoption of effective data-gathering, measuring tools, and effective processes ensuring maximum participation and transparent communications
- Increase employee engagement in shared governance and "Viking Pride" in campus community

### 3.3 External engagement: Seek, build, nurture, and reinforce external relationships for VCSU's future

- Generate involvement and collaboration with the Valley City community to improve and support engagement among VCSU students, employees, and community members
- Engage our alumni and partners to inform and provide opportunities for students in a variety of ways and settings that enrich the student experience and improve the quality of life on campus, in the Valley City community, and throughout North Dakota
- Pursue strategic partnerships to strengthen the education pipeline and to assist learners who seek challenge for professional preparation and growth
- Provide premiere service that reflects our Viking Pride to every visitor, student, employee, and community member

# Workforce Guided Workforce Driven

BISMARCK STATE COLLEGE | NORTH DAKOTA'S POLYTECHNIC INSTITUTION

**ND House Appropriations Committee**
Jan. 11, 2023
Dr. Doug Jensen, BSC President

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BSC | North Dakota's Polytechnic Institution

# FIVE-YEAR FOCUS

OUR MISSION GUIDES US
OUR VISION INSPIRES US
OUR VALUES UNITE US

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# 2022-27 Strategic Goals

Restructured in 2022 to better align with the ND State Board of Higher Ed and industry workforce needs.

STUDENT SUCCESS

LINKING TALENT WITH OPPORTUNITY

FISCAL STABILITY

COMMUNICATION

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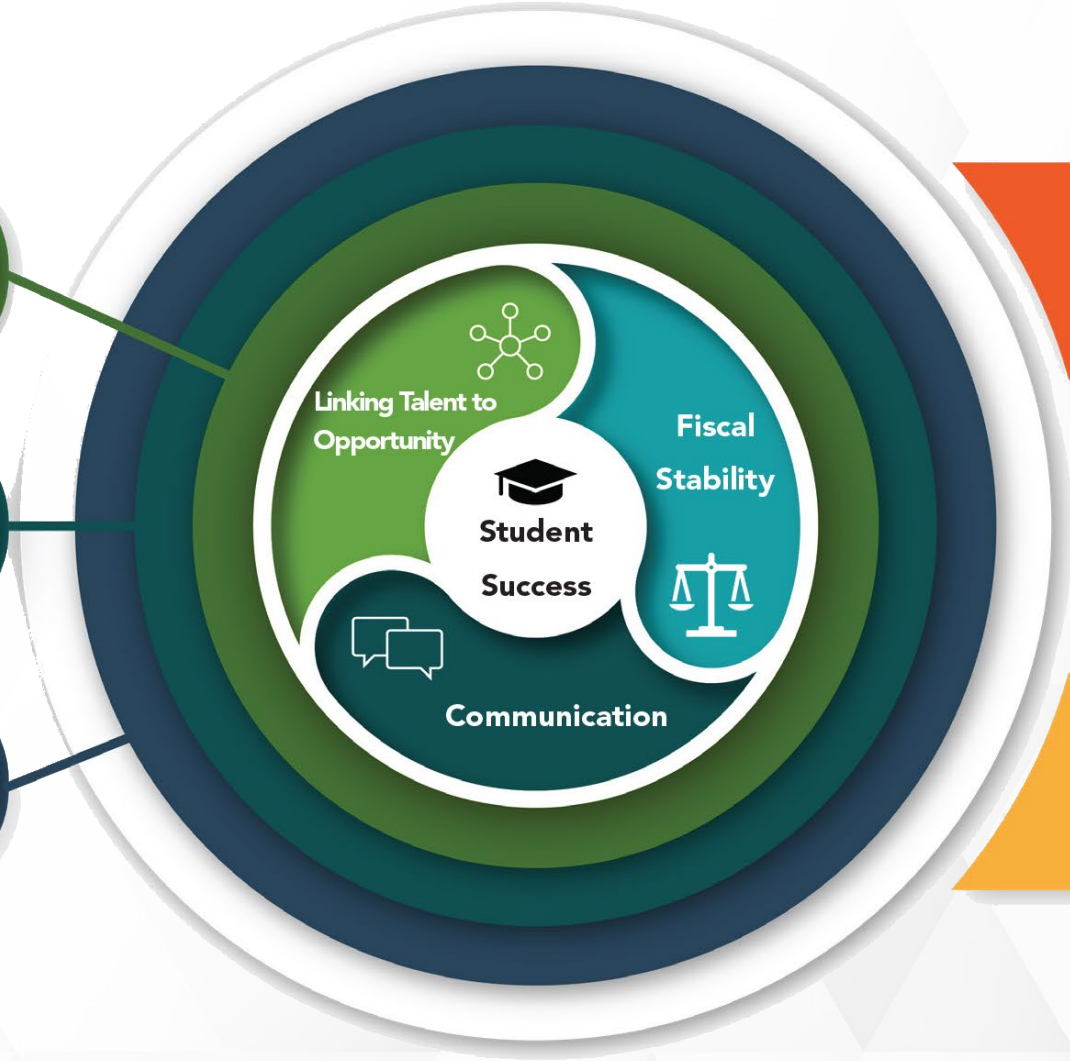
# STRATEGIC PLAN OVERVIEW

## SOLUTIONS

- Strategic Enrollment Management
- Strategic Plan
- State Board of Higher Education




## CHALLENGES

- Changing Workforce Needs
- Declining Enrollment Trends
- Competitive Higher Education Environment

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# ACCOMPLISHMENTS

## 2021-2023 BIENNIUM

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# #NDpoly »» ACCOMPLISHMENTS

## 2021-2023 WINS

- Enrollment increase
- Additional workforce-focused academic programs
- Unit Cost savings
- BILTs
- ND Polytechnic groundbreaking

#NDpoly
# ACCOMPLISHMENTS

## ENDED A 10-YR ENROLLMENT DECLINE

**UP 6.26%**
**in headcount**
3,771 students

**UP 3.21%**
**in credit hours**
37,000+
credit hours

### FALL 2022

- Largest headcount increases in NDUS
- Up 222 students
- Up 1,150 credit hours
- Up 46% in dual credit

BISMARCK STATE COLLEGE | North Dakota's Polytechnic Institution

#NDpoly
**ACCOMPLISHMENTS**

# NEW ACADEMIC PROGRAMS

**26 NEW DEGREES**
**to meet ND's workforce and academic opportunities (HPOs)**

- Clinical Exercise Science
- Accounting
- Artificial Intelligence & Machine Learning
- DIESEL TECHNOLOGY
- Leadership
- Financial Technologies
- EXERCISE SCIENCE
- FINANCE
- MECHATRONICS ENGINEERING TECHNOLOGY
- Career Readiness
- Ranch Operations
- STEM College Studies
- Sport and Fitness Technology
- Sport and Fitness Pedagogy
- Exercise & Sports Studies
- Graphic Design Technology
- Print and Digital Publications
- Sport and Fitness Management
- Environmental and Safety Regulations
- Applied College Studies
- Medical Laboratory Technician
- MANAGEMENT
- Integrated Studies
- DIGITAL BROADCASTING
- Communication & Humanities College Studies
- Sport and Fitness Entrepreneurship

BISMARCK STATE COLLEGE | North Dakota's Polytechnic Institution

#NDpoly
# ACCOMPLISHMENTS

## $1 Million UNIT COST SAVINGS »»

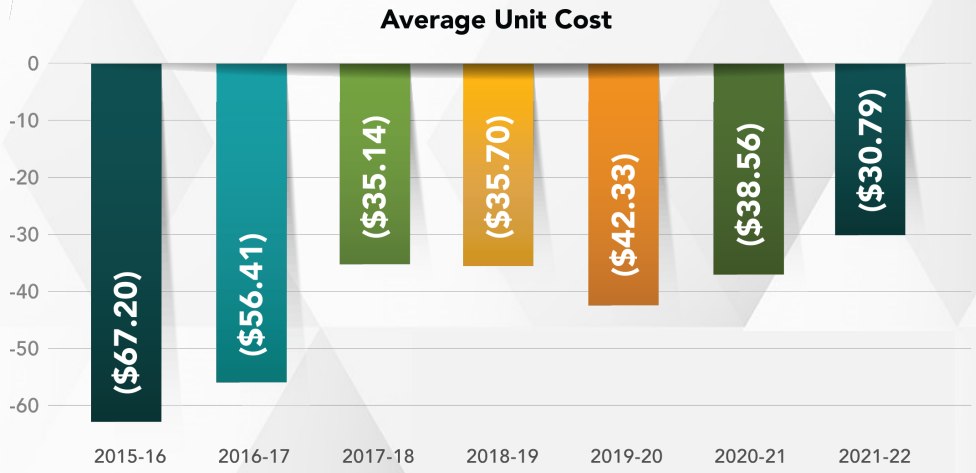
**$1 MILLION**

**REVENUE SUCCESS**

BSC saved $11.54 per instructional hour or $1M in productivity in the last two years.

**$1 SAVED = $92,000 FOR THE INSTITUTION**

Savings allowed for re-investment into new workforce academic programs



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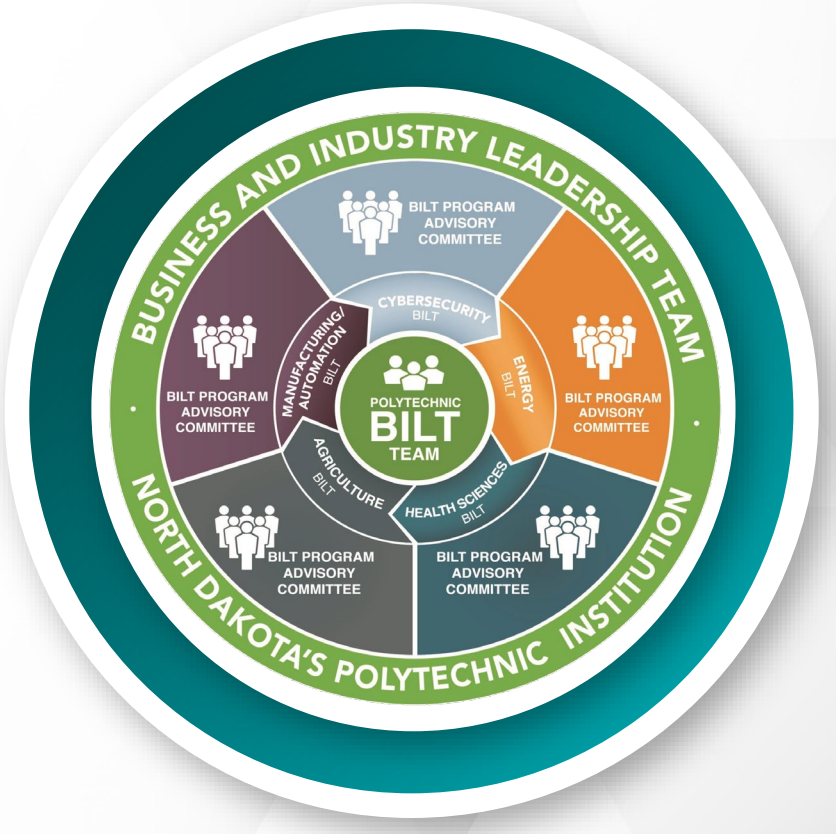
ACCOMPLISHMENTS

11 BILTs

# BUSINESS & INDUSTRY LEADERSHIP TEAMS




## BILTs are the Core of Polytechnic Education

They offer direct input in workforce program pathways and curriculum development as well as provide strategic feedback on industry trends and the knowledge, skills and abilities required in the high-demand careers of the future.

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**ACCOMPLISHMENTS**

# GROUNDBREAKING
# ND's POLYTECH

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# FUTURE LEARNING SPACES

# FLEX LABS

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# CHALLENGES

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# #NDpoly CHALLENGES

## INFLATION IMPACTING

- Day-to-day operational costs
- Workforce academic programs
- Student affordability
- Staffing and talent retention
- Increasing construction costs – $10M shortage

# #NDpoly CHALLENGES

## FUNDING FORMULA

**BSC is:**

- 1st in Fall 22 enrollment growth
- 2nd lowest tuition
- 3rd highest NDUS enrollment
- 5th in state appropriations

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# CHALLENGES

## FUNDING FORMULA

In the lower-level CTE division, BSC had a 26% spending increase.

2018-2019 Spending = $8.6M
2020-2021 Spending = $10.8M

**$2.2M Increase**

**An increase to a weight of 5 in the CTE funding formula would allow for growth in those programs.**

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# NEXT BIENNIUM GOALS

2023-2025

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# #NDpoly GOALS

## 2023-2025 GOALS

**#1** Expand ND workforce

**#2** Advance economic development through public/private partnerships

**#3** Increase fiscal stability by growing enrollment and reducing unit cost

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# #NDpoly GOALS

## 2023-2025 GOALS

**#4** Expand and strengthen K-12 and CTE partnerships

**#5** Advance the North Dakota polytechnic mission

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# FINANCIALS

2021-2025

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# AUDIT FINDINGS REPORT

BSC had zero audit findings

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# Budget Comparison

## 2021-23 Base Budget *compared to* 2023-25 Executive Recommendation

| | 2021-23 Base Level | Adjustments | SBHE 2023-25 Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| Campus Operations | $ 100,571,387 | $ (463,501) | $ 100,107,886 | $ 105,451,707 | $ 4,880,320 | $ 5,343,821 |
| Capital Assets | $ 1,922,561 | $ 76,757 | $ 1,999,318 | $ 1,999,318 | $ 76,757 | – |
| **Total Appropriations** | **$ 102,493,948** | **$ (386,744)** | **$ 102,107,204** | **$ 107,451,025** | **$ 4,957,077** | **$ 5,343,821** |
| General Funds | $ 32,084,055 | $ (833,032) | $ 31,251,023 | $ 33,611,285 | $ 1,527,230 | $ 2,360,262 |
| Special Funds | $ 70,409,893 | $ 289,705 | $ 70,699,598 | $ 73,839,740 | $ 3,429,847 | $ 3,140,142 |
| **Total Funding Sources** | **$ 102,493,948** | **$ (543,327)** | **$ 101,950,621** | **$ 107,451,025** | **$ 4,957,077** | **$ 5,500,404** |

BSC shortfall = $4.2M

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# CURRENT ONE-TIME FUNDING REPORT

## 2021-2023 BIENNIUM

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# One-time Funding Report

## 2021-23 One-time Funding for Polytechnic Mission Expansion

| | Recruitment<br>Curriculum Development | Building Construction Architect<br>Design Fees<br>Site Improvements |
|---|---|---|
| **$3M Polytechnic Start-up Funds** | | |
| Total Funding | $ 3,000,000 | |
| Total Spent To Date | $ 191,784 | |
| Remaining Balance | $2,808,216 | |
| **$35M Polytechnic Building Funds** | | |
| Total Funding | | $ 35,000,000 |
| Total Spent To Date | | $ 861,834 |
| Remaining Balance | | $34,138,166 |
| Inflationary Impact Shortage | | $10,000,000 |

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# ONE-TIME FUNDING REQUESTS

## 2023-2025 BIENNIUM

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# ONE-TIME FUNDING REQUESTS

## 2023-25 REQUESTS

**#1** Health, Safety and Compliance Priority

Multi-Purpose Academic/Athletic Performance Center

**#2** State Workforce Priority

CDL workforce training expansion

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# ONE-TIME FUNDING REQUEST #1

## Existing Compliance/Health/Life/Safety Issues

### #1 Americans with Disabilities Act (ADA) violations

- Non-compliant spaces: restrooms, classrooms, instructional lab space, hallways, offices, media studio, concessions

- Gymnasium seating does not accommodate individuals with special needs – must sit within one foot of the court

### #2 Title IX violations

- Female locker rooms do not have plumbing

- Female athletes cannot shower and have to use public restroom during games/practices whereas male student-athletes have access to private facilities

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# ONE-TIME FUNDING REQUEST #1

## Existing Health/Life/Safety/Compliance Issues

**#3** Not equipped with a fire suppression system

**#4** No external air exchange to building interior

**#5** 2 of 4 air handling systems not operational

**#6** Portion of building already removed due to soil conditions and early construction techniques

**#7** Asbestos

**#8** No air conditioning/central air

**#9** Doors/walls too close to competition floor

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# ONE-TIME FUNDING REQUEST #1

## Multi-purpose Academic/Athletic Performance Center

- Expands healthcare services with the potential addition of a clinic to facilitate hands-on learning
- Supports the region and rural areas by expanding wellness services – addressing the decline of mental health and physical abilities
- Provides workforce for the fields of ambulatory patient care, exercise science, clinical exercise therapy, physical mobility, media management, etc.

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# ONE-TIME FUNDING REQUEST #1

## Multi-purpose Academic/Athletic Performance Center

### Business & Industry Focused

- Includes the protentional addition of an industry-supported health and wellness clinic
- $5M+ donations raised YTD
- Current facility (BSC Armory) repurposed as a business digital incubator

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# ONE-TIME FUNDING REQUEST #1

## Multi-purpose Academic/Athletic Performance Center

- To address the compliance and risk issues and expand polytechnic academic programming, BSC needs $25M in funding for this multi-purpose facility
- BSC has raised 85% of the private sector commitment towards a $31.5M multi-purpose facility

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# ONE-TIME FUNDING REQUEST #2

## CDL Workforce Training Expansion

The high-demand transportation sector in ND is negatively impacted by a lack of CDL-trained workforce. BSC can positively impact industry needs by expanding CDL workforce training.

Estimates in CDL job openings are high and expected to grow.

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# ONE-TIME FUNDING REQUEST #2

## CDL Workforce Training Expansion

BSC is limited in its capacity to enroll:

- 4 students in each 3-wk class
- 2 students in each 2-wk class

Student waitlists are 2-4 months out

To expand, BSC would need $1,540,000 for additional CDL program infrastructure:

- 4 tractor and trailer training vehicles
- 2 CDL training simulators
- 4 CDL-certified training instructors

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# ADDENDUM

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#12791

BISMARCK STATE COLLEGE | NORTH DAKOTA'S POLYTECHNIC INSTITUTION

2022-2027

# STRATEGIC PLAN

**Crafted with input from faculty, students, administrators, alumni, the community and industry partners to align with the ND State Board of Higher Education and industry workforce needs.**

## OUR MISSION GUIDES US

*As North Dakota's Polytechnic Institution, Bismarck State College focuses on student success through the delivery of affordable, flexible, high-quality, experiential learning enhanced by public-private partnerships.*

## OUR VISION INSPIRES US

*Bismarck State College will be a leader in polytechnic education improving lives and building sustainable communities.*

## OUR VALUES UNITE US

**Student Success:** *We value all students and provide them with the support to achieve their goals.*

**Teamwork:** *We value collaboration in the pursuit of common goals.*

**Partnerships:** *We value interconnected and mutually beneficial relationships with local, state, national and international stakeholders.*

**Inclusion:** *We value authentic engagement with diverse people, beliefs and ideas.*

**Integrity:** *We value ethical and reliable practices.*


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# STRATEGIC PLAN OVERVIEW

GOAL #1

## Student Success

Ensuring students have the academic and career pathways to achieve their educational and career goals.

GOAL #2

## Linking Talent with Opportunity

Creating sustainable communities through workforce development, economic development and community development.

GOAL #3

## Fiscal Stability

Efficiently serving our students and public and private partners.

GOAL #4

## Communication

Staying connected with students and our communities.

## LEARN MORE

Dig deeper into the BSC strategic plan, goals and objectives at

bismarckstate.edu/BSCstrategicplan

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STRATEGIC PLAN 2022-2027

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# UNIT COST »» Improving Fiscal Efficiency and Program Vitality

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## $1 MILLION

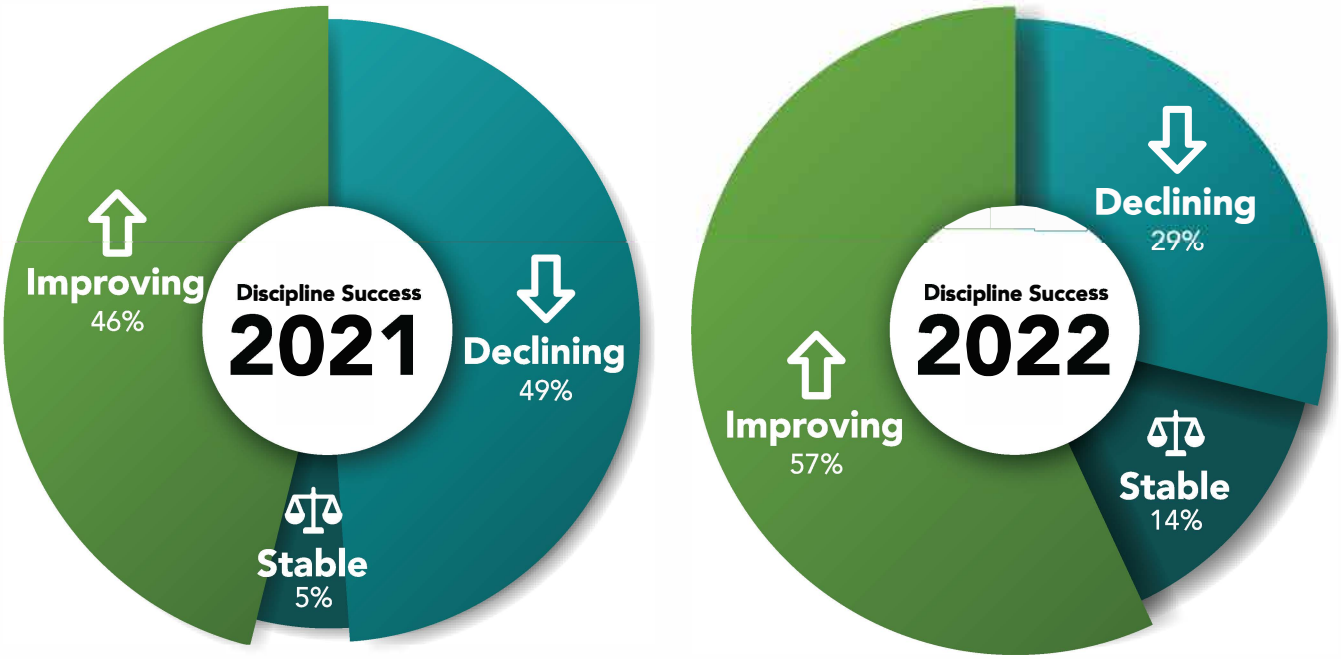
### REVENUE SUCCESS

BSC saved $11.54 per instructional hour or $1M in productivity in the last two years.

**$1 SAVED = $92,000 FOR THE INSTITUTION**

## Unit Cost

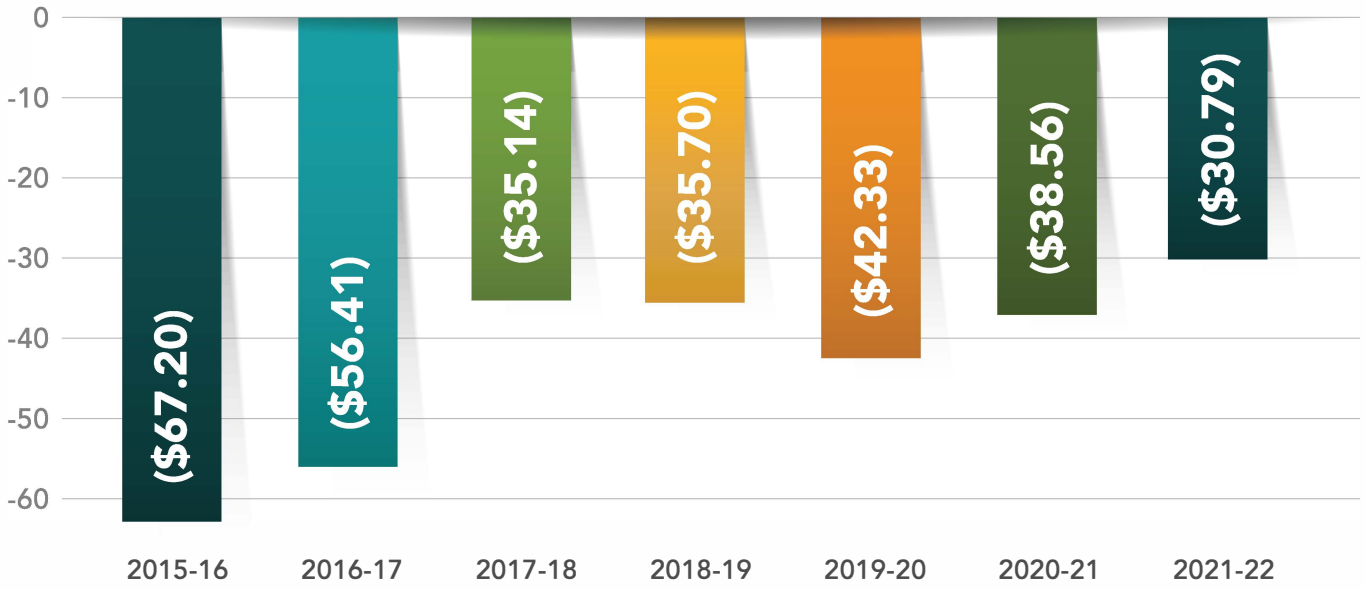
Unit Cost looks at net revenue per instructional hour by discipline. Tuition Revenue per instructional hour less costs by instructional hour. It only uses factors that are influenced by faculty, assistant deans, and deans. It helps balance fiscal bottom line with mission bottom line.




### Unit Cost Discipline Success

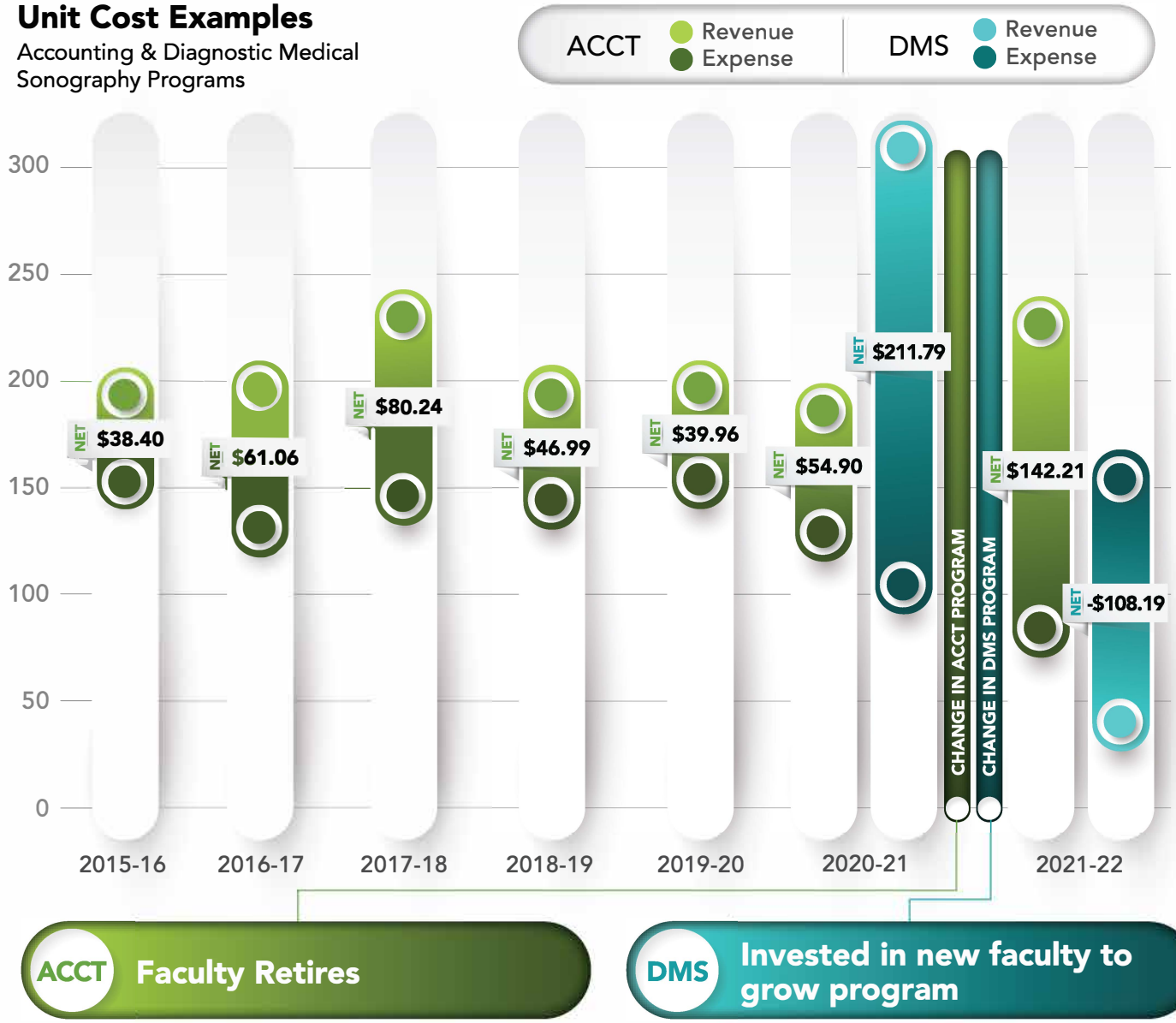
We saw disciplines moving in the right direction from declining to stable or to positive.

## Average Unit Cost




## Unit Cost Examples

Accounting & Diagnostic Medical Sonography Programs



| 2016-17 | | | | 2017-18 | | | | 2018-19 | | | | 2019-20 | | | | 2020-21 | | | | 2021-22 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost |
| ABOD | 100.36 | 302.62 | (202.26) | ABOD | 105.71 | 280.79 | (175.08) | ABOD | 113.18 | 298.07 | (184.89) | ABOD | 170.42 | 310.16 | (139.74) | ABOD | 133.94 | 299.32 | (165.38) | ABOD | 174.91 | 315.97 | (141.07) |
| ACCT | 198.50 | 137.44 | 61.06 | ACCT | 227.56 | 147.32 | 80.24 | ACCT | 193.34 | 146.35 | 46.99 | ACCT | 195.41 | 155.45 | 39.96 | ACCT | 181.03 | 126.13 | 54.90 | ACCT | 224.52 | 82.30 | 142.21 |
| AGEC | 141.40 | 222.37 | (80.97) | AGEC | 140.25 | 197.10 | (56.85) | AGEC | 166.99 | 199.78 | (32.79) | AGEC | 152.67 | 231.45 | (78.78) | AGEC | 193.35 | 215.24 | (21.89) | AGEC | 184.81 | 223.89 | (39.08) |
| AGRI | 144.65 | 383.38 | (238.73) | AGRI | 134.79 | 379.02 | (244.23) | AGRI | 122.50 | 294.52 | (172.02) | AGRI | 122.21 | 317.75 | (195.54) | AGRI | 167.48 | 402.72 | (235.24) | AGRI | 126.99 | 263.47 | (136.49) |
| ANSC | 145.77 | 250.62 | (104.85) | ANSC | 135.28 | 222.62 | (87.34) | ANSC | 174.66 | 219.41 | (44.75) | ANSC | 165.51 | 233.42 | (67.91) | ANSC | 160.90 | 185.73 | (24.83) | ANSC | 216.89 | 250.95 | (34.06) |
| | | | | | | | | ANTH | 60.27 | 54.34 | 5.93 | ANTH | 51.87 | 53.65 | (1.78) | ANTH | 65.22 | 54.65 | 10.57 | | | | |
| ART | 82.59 | 225.46 | (142.87) | ART | 81.95 | 196.21 | (114.26) | ART | 91.47 | 197.52 | (106.05) | ART | 108.54 | 219.17 | (110.63) | ART | 104.84 | 229.36 | (124.52) | ART | 127.67 | 215.98 | (88.30) |
| ASC | 130.29 | 149.96 | (19.67) | ASC | 131.64 | 113.49 | 18.15 | ASC | 133.72 | 114.01 | 19.71 | ASC | 123.63 | 125.06 | (1.43) | ASC | 138.98 | 125.15 | 13.83 | ASC | 128.58 | 131.40 | (2.82) |
| ASM | 131.51 | 163.07 | (31.56) | ASM | 119.58 | 106.29 | 13.29 | ASM | 97.17 | 79.36 | 17.81 | ASM | 130.00 | 126.50 | 3.50 | ASM | 106.22 | 120.84 | (14.62) | ASM | 121.69 | 120.49 | 1.20 |
| ASTR | 117.20 | 51.24 | 65.96 | ASTR | 78.97 | 70.11 | 8.86 | ASTR | 136.08 | 79.96 | 56.12 | ASTR | 127.03 | 59.71 | 67.32 | ASTR | 143.28 | 60.00 | 83.28 | ASTR | 117.40 | 54.66 | 62.74 |
| AUTO | 82.77 | 254.07 | (171.30) | AUTO | 87.54 | 279.52 | (191.98) | AUTO | 123.99 | 290.49 | (166.50) | AUTO | 110.59 | 298.24 | (187.65) | AUTO | 112.61 | 295.45 | (182.84) | AUTO | 143.09 | 290.76 | (147.68) |
| BADM | 232.07 | 124.81 | 107.26 | BADM | 238.92 | 108.20 | 130.72 | BADM | 249.15 | 153.59 | 95.56 | BADM | 229.16 | 110.95 | 118.21 | BADM | 198.42 | 101.22 | 97.20 | BADM | 207.19 | 114.62 | 92.57 |
| BIOL | 170.07 | 192.39 | (22.32) | BIOL | 161.96 | 219.81 | (57.85) | BIOL | 166.56 | 217.35 | (50.79) | BIOL | 174.24 | 213.75 | (39.51) | BIOL | 174.29 | 186.05 | (11.76) | BIOL | 169.31 | 168.45 | 0.85 |
| BOT | 56.95 | 192.81 | (135.86) | | | | | | | | | | | | | | | | | | | | |
| BOTE | 84.16 | 117.13 | (32.97) | BOTE | 111.22 | 112.54 | (1.32) | BOTE | 89.95 | 100.50 | (10.55) | BOTE | 84.17 | 97.55 | (13.38) | BOTE | 112.35 | 93.13 | 19.22 | BOTE | 127.37 | 91.92 | 35.44 |
| BUSN | 220.93 | 224.33 | (3.40) | BUSN | 233.34 | 170.37 | 62.97 | BUSN | 191.05 | 169.40 | 21.65 | BUSN | 195.80 | 167.20 | 28.60 | BUSN | 174.63 | 182.71 | (8.08) | BUSN | 231.32 | 176.36 | 54.97 |
| CAD | 109.35 | 196.58 | (87.23) | CAD | 87.70 | 150.85 | (63.15) | CAD | 82.17 | 179.16 | (96.99) | CAD | 60.06 | 193.67 | (133.61) | CAD | 88.83 | 195.71 | (106.88) | CAD | 78.27 | 181.53 | (103.27) |
| CARP | 113.90 | 317.16 | (203.26) | CARP | 66.89 | 228.92 | (162.03) | CARP | 165.00 | 336.84 | (171.84) | CARP | 149.15 | 309.41 | (160.26) | CARP | 200.66 | 332.25 | (131.59) | CARP | 235.39 | 316.82 | (81.43) |
| CHEM | 141.84 | 178.68 | (36.84) | CHEM | 138.04 | 186.54 | (48.50) | CHEM | 134.63 | 182.11 | (47.48) | CHEM | 174.77 | 195.14 | (20.37) | CHEM | 179.62 | 173.47 | 6.15 | CHEM | 161.33 | 181.78 | (20.44) |
| CIS | 76.40 | 117.18 | (40.78) | CIS | 88.95 | 119.52 | (30.57) | CIS | 114.95 | 151.73 | (36.78) | CIS | 135.50 | 145.72 | (10.22) | CIS | 166.22 | 170.76 | (4.54) | CIS | 153.70 | 143.31 | 10.38 |
| | | | | | | | | | | | | CIT | 80.00 | 166.41 | (86.41) | CIT | 167.93 | 274.33 | (106.40) | CIT | 152.22 | 133.85 | 18.36 |
| CJ | 185.58 | 105.04 | 80.54 | CJ | 193.05 | 143.77 | 49.28 | CJ | 188.65 | 153.98 | 34.67 | CJ | 207.59 | 171.20 | 36.39 | CJ | 192.61 | 179.46 | 13.15 | CJ | 160.50 | 141.53 | 18.97 |
| COMM | 91.75 | 126.23 | (34.48) | COMM | 94.18 | 113.99 | (19.81) | COMM | 96.27 | 123.22 | (26.95) | COMM | 100.84 | 141.67 | (40.83) | COMM | 107.97 | 154.58 | (46.61) | COMM | 92.89 | 85.73 | 7.16 |
| CSCI | 129.43 | 114.74 | 14.69 | CSCI | 143.02 | 157.83 | (14.81) | CSCI | 161.69 | 146.95 | 14.74 | CSCI | 168.43 | 202.24 | (33.81) | CSCI | 160.55 | 190.06 | (29.51) | CSCI | 189.70 | 182.18 | 7.52 |
| CT | 52.65 | 248.77 | (196.12) | CT | 86.43 | 181.88 | (95.45) | CT | 66.67 | 166.65 | (99.98) | CT | 77.00 | 157.95 | (80.95) | CT | 83.63 | 167.04 | (83.41) | CT | 97.15 | 153.83 | (56.68) |
| | | | | | | | | | | | | | | | | DMS | 313.82 | 102.03 | 211.79 | DMS | 46.70 | 154.88 | (108.19) |
| ECON | 239.09 | 137.34 | 101.75 | ECON | 250.23 | 185.22 | 65.01 | ECON | 255.34 | 129.66 | 125.68 | ECON | 238.36 | 113.45 | 124.91 | ECON | 230.32 | 119.81 | 110.51 | ECON | 263.18 | 138.55 | 124.63 |
| EDUC | 124.41 | 132.01 | (7.60) | EDUC | 132.77 | 133.93 | (1.16) | EDUC | 151.25 | 133.19 | 18.06 | EDUC | 166.72 | 140.99 | 25.73 | EDUC | 143.13 | 154.48 | (11.35) | EDUC | 124.90 | 123.30 | 1.60 |
| EE | 22.78 | 86.98 | (64.20) | EE | 23.69 | 77.04 | (53.35) | EE | 39.61 | 102.51 | (62.90) | EE | | | | EE | 30.10 | 55.04 | (24.94) | | | | |
| ELEC | 94.47 | 207.82 | (113.35) | ELEC | 102.62 | 187.25 | (84.63) | ELEC | 111.72 | 188.79 | (77.07) | ELEC | 143.52 | 202.18 | (58.66) | ELEC | 146.51 | 216.43 | (69.92) | ELEC | 110.16 | 179.61 | (69.45) |
| ELPW | 250.43 | 188.63 | 61.80 | ELPW | 249.06 | 132.45 | 116.61 | ELPW | 317.19 | 117.67 | 199.52 | ELPW | 303.29 | 116.31 | 186.98 | ELPW | 296.20 | 202.36 | 93.84 | ELPW | 300.34 | 174.32 | 126.02 |
| EMS | 86.20 | 239.91 | (153.71) | EMS | 76.65 | 251.63 | (174.98) | EMS | 88.25 | 218.72 | (130.47) | EMS | 134.20 | 328.28 | (194.08) | EMS | 134.92 | 270.83 | (135.91) | EMS | 202.26 | 308.24 | (105.98) |
| ENGL | 126.59 | 120.78 | 5.81 | ENGL | 140.37 | 120.60 | 19.77 | ENGL | 142.73 | 137.96 | 4.77 | ENGL | 148.11 | 134.18 | 13.93 | ENGL | 139.91 | 134.11 | 5.80 | ENGL | 139.53 | 123.22 | 16.31 |
| ENGR | 88.63 | 190.21 | (101.58) | ENGR | 81.72 | 181.35 | (99.63) | ENGR | 89.06 | 165.54 | (76.48) | ENGR | 102.66 | 157.69 | (55.03) | ENGR | 84.46 | 135.73 | (51.27) | ENGR | 60.18 | 115.87 | (55.69) |
| ENRG | 282.29 | 160.79 | 121.50 | ENRG | 289.89 | 114.19 | 175.70 | ENRG | 305.16 | 142.96 | 162.20 | ENRG | 296.09 | 137.81 | 158.28 | ENRG | 258.77 | 212.05 | 46.72 | ENRG | 348.01 | 235.92 | 112.08 |
| ENRT | 240.13 | 219.65 | 20.48 | ENRT | 236.76 | 201.95 | 34.81 | ENRT | 242.71 | 223.68 | 19.03 | ENRT | 246.41 | 229.61 | 16.80 | ENRT | 217.59 | 254.68 | (37.09) | ENRT | 248.92 | 318.79 | (69.86) |
| ESRE | 73.06 | 178.28 | (105.22) | ESRE | 92.94 | 156.43 | (63.49) | ESRE | 60.17 | 182.64 | (122.47) | ESRE | 100.69 | 164.79 | (64.10) | ESRE | 103.25 | 255.14 | (151.89) | ESRE | 115.68 | 271.80 | (156.12) |
| ETST | 214.51 | 129.63 | 84.88 | ETST | 206.83 | 109.04 | 97.79 | ETST | 275.86 | 141.36 | 134.50 | ETST | 253.07 | 144.06 | 109.01 | ETST | 306.01 | 229.78 | 76.23 | ETST | 263.59 | 189.92 | 73.66 |
| FYE | 112.44 | 138.04 | (25.60) | | | | | | | | | | | | | | | | | | | | |
| GDES | 108.36 | 191.35 | (82.99) | GDES | 93.77 | 194.46 | (100.69) | GDES | 72.64 | 185.91 | (113.27) | GDES | 80.59 | 195.19 | (114.60) | GDES | 84.76 | 213.32 | (128.56) | GDES | 92.83 | 143.26 | (50.43) |
| GEOG | 169.52 | 155.00 | 14.52 | GEOG | 142.95 | 137.86 | 5.09 | GEOG | 111.99 | 129.77 | (17.78) | GEOG | 160.21 | 145.10 | 15.11 | GEOG | 161.90 | 150.46 | 11.44 | GEOG | 153.53 | 188.89 | (35.36) |
| GEOL | 94.68 | 86.75 | 7.93 | GEOL | 92.79 | 98.52 | (5.73) | GEOL | 58.19 | 66.57 | (8.38) | GEOL | 69.17 | 67.66 | 1.51 | GEOL | 97.83 | 73.20 | 24.63 | GEOL | 83.49 | 69.26 | 14.22 |
| GIS | 64.23 | 161.31 | (97.08) | GIS | 97.00 | 94.89 | 2.11 | GIS | 100.50 | 80.50 | 20.00 | GIS | 84.50 | 90.37 | (5.87) | GIS | 133.63 | 123.51 | 10.12 | GIS | 77.28 | 111.94 | (34.65) |
| H&CE | 120.29 | 112.70 | 7.59 | H&CE | 168.78 | 113.06 | 55.72 | H&CE | 140.77 | 201.89 | (61.12) | H&CE | 186.33 | 220.90 | (34.57) | H&CE | 205.45 | 192.39 | 13.06 | H&CE | 210.71 | 233.21 | (22.50) |
| HIST | 191.77 | 164.18 | 27.59 | HIST | 190.01 | 103.55 | 86.46 | HIST | 172.21 | 104.77 | 67.44 | HIST | 159.80 | 113.61 | 46.19 | HIST | 149.72 | 135.47 | 14.25 | HIST | 166.74 | 139.20 | 27.55 |
| HMSV | 94.39 | 67.41 | 26.98 | HMSV | 102.05 | 66.89 | 35.16 | HMSV | 96.14 | 66.22 | 29.92 | HMSV | 98.67 | 74.50 | 24.17 | HMSV | 113.51 | 125.02 | (11.51) | HMSV | 88.70 | 88.00 | 0.70 |
| HPER | 119.68 | 334.23 | (214.55) | HPER | 154.98 | 300.90 | (145.92) | HPER | 155.44 | 315.31 | (159.87) | HPER | 135.11 | 338.42 | (203.31) | HPER | 137.93 | 460.16 | (322.23) | HPER | 139.86 | 425.84 | (285.98) |
| HUMS | 146.41 | 128.15 | 18.26 | HUMS | 113.47 | 104.21 | 9.26 | HUMS | 124.76 | 123.84 | 0.92 | HUMS | 134.68 | 137.27 | (2.59) | HUMS | 114.76 | 144.71 | (29.95) | HUMS | 163.49 | 154.78 | 8.71 |
| HVAC | 121.49 | 185.26 | (63.77) | HVAC | 109.93 | 180.87 | (70.94) | HVAC | 120.00 | 201.29 | (81.29) | HVAC | 150.80 | 201.08 | (50.28) | HVAC | 142.00 | 136.38 | 5.62 | HVAC | 177.72 | 160.32 | 17.40 |
| ICTL | 84.81 | 220.60 | (135.79) | ICTL | 84.81 | 208.72 | (123.91) | ICTL | 130.66 | 194.64 | (63.98) | ICTL | 142.47 | 231.17 | (88.70) | ICTL | 159.55 | 314.36 | (154.81) | ICTL | 109.56 | 172.07 | (62.51) |
| LNWK | 298.52 | 531.70 | (233.18) | LNWK | 329.59 | 595.41 | (265.82) | LNWK | 401.35 | 631.78 | (230.43) | LNWK | 415.69 | 617.84 | (202.15) | LNWK | 532.47 | 692.50 | (160.03) | LNWK | 486.37 | 605.49 | (119.12) |
| MATH | 102.61 | 92.52 | 10.09 | MATH | 102.23 | 95.68 | 6.55 | MATH | 106.85 | 103.96 | 2.89 | MATH | 105.25 | 107.45 | (2.20) | MATH | 99.09 | 107.54 | (8.45) | MATH | 95.93 | 104.42 | (8.49) |
| MICR | 199.34 | 219.47 | (20.13) | MICR | 179.94 | 220.88 | (40.94) | MICR | 180.53 | 222.91 | (42.38) | MICR | 209.31 | 228.09 | (18.78) | MICR | 191.06 | 188.27 | 2.79 | MICR | 183.79 | 178.34 | 5.45 |
| MLS | 44.80 | 199.01 | (154.21) | MLS | 47.54 | 94.36 | (46.82) | MLS | 46.16 | 111.16 | (65.00) | MLS | 102.58 | 186.15 | (83.57) | MLS | 114.23 | 136.17 | (21.94) | MLS | 99.64 | 148.15 | (48.51) |
| MMAT | 136.84 | 277.58 | (140.74) | MMAT | 97.54 | 239.29 | (141.75) | MMAT | 93.78 | 262.13 | (168.35) | MMAT | 78.14 | 228.26 | (150.12) | MMAT | 78.62 | 221.88 | (143.26) | MMAT | 111.66 | 231.86 | (120.20) |
| MS | 59.64 | 167.73 | (108.09) | | | | | | | | | | | | | | | | | | 0.00 | 0.00 | |
| MUSC | 70.30 | 173.74 | (103.44) | MUSC | 58.42 | 173.18 | (114.76) | MUSC | 65.17 | 148.55 | (83.38) | MUSC | 76.42 | 170.94 | (94.52) | MUSC | 68.17 | 202.79 | (134.62) | MUSC | 69.83 | 230.85 | (161.02) |
| NUPT | 71.32 | 223.84 | (152.52) | NUPT | 131.87 | 194.56 | (62.69) | NUPT | 91.89 | 184.43 | (92.54) | NUPT | 74.69 | 190.23 | (115.54) | NUPT | 76.52 | 177.51 | (100.99) | NUPT | 56.49 | 174.42 | (117.93) |
| NURS | 95.56 | 217.09 | (121.53) | NURS | 88.71 | 253.80 | (165.09) | NURS | 122.03 | 203.62 | (81.59) | NURS | 146.28 | 280.51 | (134.23) | NURS | 321.53 | 473.36 | (151.83) | NURS | 262.34 | 348.21 | (85.86) |
| NUTR | 188.66 | 160.22 | 28.44 | NUTR | 204.54 | 171.71 | 32.83 | NUTR | 183.55 | 180.53 | 3.02 | NUTR | 194.29 | 189.82 | 4.47 | NUTR | 209.44 | 218.57 | (9.13) | NUTR | 219.13 | 73.93 | 145.19 |
| PET | 20.64 | 165.09 | (144.45) | PET | 10.18 | 15.16 | (4.98) | | | | | | | | | | | | | | | | |
| PHIL | 201.53 | 90.57 | 110.96 | PHIL | 186.26 | 59.95 | 126.31 | PHIL | 199.15 | 58.91 | 140.24 | PHIL | 187.86 | 98.57 | 89.29 | PHIL | 184.09 | 120.76 | 63.33 | PHIL | 234.60 | 101.69 | 132.90 |
| PHRM | 246.98 | 521.48 | (274.50) | PHRM | 278.99 | 377.99 | (99.00) | PHRM | 212.72 | 260.70 | (47.98) | PHRM | 213.81 | 459.47 | (245.66) | PHRM | 214.46 | 169.79 | 44.67 | PHRM | 200.20 | 363.33 | (163.13) |
| PHYS | 113.90 | 198.37 | (84.47) | PHYS | 96.48 | 165.50 | (69.02) | PHYS | 126.77 | 156.08 | (29.31) | PHYS | 84.38 | 237.10 | (152.72) | PHYS | 93.46 | 66.07 | 27.39 | PHYS | 155.99 | 182.22 | (26.22) |
| PLA | | | | PLA | | | | | | | | | | | | | | | | | 0.00 | 0.00 | |
| PLSC | 127.82 | 247.46 | (119.64) | PLSC | 133.95 | 224.48 | (90.53) | PLSC | 139.89 | 250.38 | (110.49) | PLSC | 135.50 | 252.13 | (116.63) | PLSC | 164.50 | 253.73 | (89.23) | PLSC | 148.74 | 232.82 | (84.08) |
| POLS | 225.21 | 41.30 | 183.91 | POLS | 226.87 | 44.10 | 182.77 | POLS | 204.45 | 57.73 | 146.72 | POLS | 154.99 | 53.02 | 101.97 | POLS | 143.11 | 66.45 | 76.66 | POLS | 161.00 | 74.60 | 86.40 |
| PROD | 134.72 | 207.40 | (72.68) | PROD | 184.73 | 116.58 | 68.15 | PROD | 153.82 | 143.14 | 10.68 | PROD | 244.54 | 116.94 | 127.60 | PROD | 183.89 | 138.96 | 44.93 | PROD | 64.70 | 161.11 | (96.41) |
| PROP | 183.71 | 190.86 | (7.15) | PROP | 154.27 | 157.19 | (2.92) | PROP | 130.18 | 164.25 | (34.07) | PROP | 155.86 | 177.88 | (22.02) | PROP | 152.54 | 219.84 | (67.30) | PROP | 168.79 | 237.88 | (69.09) |
| PSYC | 216.59 | 223.15 | (6.56) | PSYC | 209.99 | 162.07 | 47.92 | PSYC | 193.53 | 170.02 | 23.51 | PSYC | 193.88 | 176.69 | 17.19 | PSYC | 186.34 | 156.68 | 29.66 | PSYC | 206.52 | 169.15 | 37.38 |
| PWRP | 259.55 | 263.37 | (3.82) | PWRP | 201.26 | 250.36 | (49.10) | PWRP | 191.57 | 232.03 | (40.46) | PWRP | 116.21 | 208.52 | (92.31) | PWRP | 144.84 | 221.03 | (76.19) | PWRP | 104.65 | 225.13 | (120.47) |
| REFG | 121.49 | 185.26 | (63.77) | REFG | 109.93 | 180.87 | (70.94) | REFG | 120.00 | 201.29 | (81.29) | REFG | 150.80 | 201.08 | (50.28) | REFG | 150.87 | 138.42 | 12.45 | REFG | 160.07 | 155.93 | 4.13 |
| RELS | 168.24 | 188.57 | (20.33) | RELS | 197.08 | 62.56 | 134.52 | RELS | 171.95 | 62.32 | 109.63 | RELS | 130.46 | 76.25 | 54.21 | RELS | 156.15 | 140.17 | 15.98 | RELS | 154.79 | 92.98 | 61.81 |

| 2016-17 | | | | 2017-18 | | | | 2018-19 | | | | 2019-20 | | | | 2020-21 | | | | 2021-22 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost |
| RNG | 136.68 | 246.41 | (109.73) | RNG | 95.71 | 200.52 | (104.81) | RNG | 145.00 | 201.89 | (56.89) | RNG | 62.40 | 181.22 | (118.82) | RNG | 120.70 | 304.96 | (184.26) | RNG | 69.05 | 109.66 | (40.61) |
| SCNC | 127.33 | 169.38 | (42.05) | SCNC | 164.01 | 219.98 | (55.97) | SCNC | 146.75 | 209.27 | (62.52) | SCNC | 121.28 | 171.58 | (50.30) | SCNC | 155.94 | 188.44 | (32.50) | SCNC | 151.32 | 226.73 | (75.41) |
| SMTL | 121.49 | 185.26 | (63.77) | SMTL | 117.82 | 184.80 | (66.98) | SMTL | 121.76 | 202.19 | (80.43) | SMTL | 161.20 | 205.12 | (43.92) | SMTL | 139.87 | 148.47 | (8.60) | SMTL | 225.98 | 170.94 | 55.03 |
| SOC | 207.51 | 115.35 | 92.16 | SOC | 195.31 | 96.96 | 98.35 | SOC | 164.22 | 103.60 | 60.62 | SOC | 169.60 | 91.52 | 78.08 | SOC | 158.55 | 97.37 | 61.18 | SOC | 202.05 | 130.98 | 71.07 |
| SOIL | 98.95 | 221.55 | (122.60) | SOIL | 119.72 | 242.79 | (123.07) | SOIL | 171.18 | 281.63 | (110.45) | SOIL | 102.78 | 274.28 | (171.50) | SOIL | 160.88 | 275.83 | (114.95) | SOIL | 155.56 | 296.73 | (141.18) |
| SPAN | 104.52 | 122.35 | (17.83) | SPAN | 90.17 | 119.32 | (29.15) | SPAN | 91.71 | 118.91 | (27.20) | SPAN | 86.35 | 130.11 | (43.76) | SPAN | 112.52 | 148.09 | (35.57) | SPAN | 116.25 | 147.26 | (31.01) |
| SRGT | 60.75 | 285.92 | (225.17) | SRGT | 63.58 | 280.20 | (216.62) | SRGT | 77.29 | 274.68 | (197.39) | SRGT | 84.04 | 284.29 | (200.25) | SRGT | 98.46 | 253.13 | (154.67) | SRGT | 78.84 | 253.96 | (175.12) |
| SWK | 164.12 | 101.74 | 62.38 | SWK | 148.79 | 118.93 | 29.86 | SWK | 166.34 | 126.33 | 40.01 | SWK | 163.75 | 121.23 | 42.52 | SWK | 155.52 | 130.94 | 24.58 | SWK | 166.97 | 144.00 | 22.97 |
| THEA | 52.10 | 300.29 | (248.19) | THEA | 41.23 | 316.99 | (275.76) | THEA | 67.08 | 396.55 | (329.47) | THEA | 47.96 | 386.25 | (338.29) | THEA | 57.46 | 349.75 | (292.29) | THEA | 58.21 | 318.34 | (260.13) |
| UNIV | | | | | | | | | | | | | | | | UNIV | 20.07 | 142.94 | (122.87) | UNIV | 17.39 | 139.54 | (122.15) |
| VETS | 195.62 | 250.07 | (54.45) | VETS | 218.75 | 219.89 | (1.14) | VETS | 179.13 | 207.72 | (28.59) | VETS | 225.39 | 224.07 | 1.32 | VETS | 234.16 | 277.36 | (43.20) | VETS | 174.58 | 161.28 | 13.30 |
| WATR | 119.00 | 194.40 | (75.40) | WATR | 92.62 | 144.61 | (51.99) | WATR | 78.27 | 164.70 | (86.43) | WATR | 29.71 | 62.95 | (33.24) | WATR | 71.21 | 76.01 | (4.80) | WATR | 31.39 | 60.18 | (28.80) |
| WELD | 87.68 | 232.07 | (144.39) | WELD | 84.96 | 182.98 | (98.02) | WELD | 76.53 | 183.77 | (107.24) | WELD | 94.89 | 174.63 | (79.74) | WELD | 123.65 | 188.87 | (65.22) | WELD | 149.23 | 189.69 | (40.46) |
| Avg. Unit Cost | | | (56.41) | | | | (35.14) | | | | (35.70) | | | | (42.33) | | | | (38.56) | | | | (30.79) |
| Year-over-year Improvement (Decline) | | | | | | | 56.41 | | | | (0.56) | | | | (6.63) | | | | 3.77 | | | | 7.77 |

# ENROLLMENT DATA

## FALL 2022 – BSC 4TH Week Enrollment

| Enrollment Status | Fall 2018 | Fall 2019 | Fall 2020 | Fall 2022 | 2021-22 Change | 2021-22 % Change |
|---|---|---|---|---|---|---|
| PT Headcount | 1738 | 1706 | 1761 | 1950 | 227 | 13.2% |
| FT Headcount | 2040 | 2033 | 1955 | 1821 | -5 | -0.3% |
| Total Headcount | 3788 | 3779 | 3716 | 3771 | 222 | 6.3% |
| FTE | 2645 | 2598 | 2558 | 2466 | 76 | 3.2% |
| Total Credit Hours | 39,167 | 38,971 | 38,372 | 36,997 | 1,150 | 3.2% |

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# Fall 2022 ENROLLMENT

## ENROLLMENT BY PROGRAMS

| Program | Fall 2022 | Percent |
|---|---|---|
| Liberal Arts | 1018 | 27.0% |
| Technical | 1318 | 35.0% |
| BAS | 217 | 5.8% |
| Non-Degree | | |
| Early Entry | 1014 | 26.9% |
| Other | 204 | 5.3% |

# Fall 2022 ENROLLMENT

## ENROLLMENT BY MODE OF EDUCATION

| Mode | Fall 2022 | Percent |
|---|---|---|
| Face-to-Face | 1,565 | 41.5% |
| Blended | 912 | 24.2% |
| Distance/Online | | |
| In-State | 794 | 21.0% |
| Out-of-State | 500 | 13.3% |

Fall 2022

# ENROLLMENT

## FINANCIAL AID

| Type of Aid | Number of Students |
|---|---|
| Offered Aid | 3,637 |
| Any Federal Aid | 1,850 |
| Pell Grant | 500 |
| Supplemental Grant | 186 |
| Federal Loan | 1,164 |
| Indian Scholarship/Tribal Grant | 29 |
| Other ND Grant/Scholarship | 974 |
| BSC Scholarship | 371 |
| Other Grant/Scholarship | 328 |
| Other Loan | 85 |

Non-Credit Career Pathway Course

# COMMERCIAL DRIVING (CDL)

BISMARCK STATE COLLEGE | North Dakota's Polytechnic Institution

## What is a Class A CDL?

A Class A Commercial Driver's License is required to operate any combination of vehicles with a gross combination weight rating (GVWR) of 26,001 or more pounds. Driving a Commercial Motor Vehicle (CMV) requires a higher level of knowledge, experience, skills, and physical abilities than that required to drive a non-commercial vehicle. In order to obtain a Commercial Driver's License (CDL), an applicant must pass both skills and knowledge testing geared to these higher standards.

Students will have the opportunity to learn from an experienced instructor both in the classroom and behind the wheel. Students will learn key commercial driving skills with hours of driving practice over the road, on the backing range, and in various driving conditions.

This course meets the requirements for both Entry Level Driver Training and Hazardous Material Endorsement Theory set by the FMCSA.

A Certificate of Completion will be provided to students upon completion of the Commercial Driving (CDL) course.

## A growing industry with high demands for drivers!

Train to earn your Commercial Driver's License (CDL) and prepare for a career in the trucking industry, one of the fastest-growing industries in the country. With over 300,000 truck driving jobs available in the United States, this course is designed for students with little or no commercial driving experience to gain a basic understanding of the trucking industry and behind the wheel experience.

## Course Outcomes

The Commercial Driving (CDL) course offered through TrainND Southwest is a combination of classroom theory instruction and hands-on training. Content delivery is provided in multiple formats including lecture, class discussion, audiovisual material, independent assignments, hands-on or behind-the-wheel demonstrations, and student participation. Hands-on demonstrations include behind-the-wheel driving on local, county and highway routes. Backing maneuvers to include alley dock, offset, and straight line. Students will also complete pre-trip inspections, coupling and uncoupling, chain installation, and demonstrate proficiency in the hazardous material theory required by the FMCSA.

Upon successful completion, students will be eligible to complete the ND State Drive Test and Hazardous Material Knowledge Test to obtain the H endorsement. It consists of three (3) categories: on-the-road driving skills test, three (3) back maneuvers, and the pre-trip inspection. Students are limited to two (2) testing attempts. Upon instructor availability, TrainND Southwest can provide two (2) additional hours of practice time if a student fails the initial test. It is the student's responsibility to utilize allotted hours at the time of their scheduled make-up session. After two (2) unsuccessful attempts, a fee will be required for an additional two (2) hours of practice time and for the TrainND Southwest truck use to retest.

## Course Commitment

Commercial Driving (CDL) is a three-week, 120-hour course. Missed classroom and/or behind-the-wheel time by the student as part of the TrainND Southwest Commercial Driving (CDL) course for any reason, may result in additional fees and separate scheduled time for make-up time should completion of the course be desired or an unsuccessful completion of the course.

## Course Investment

$5,495 tuition includes all classroom materials, truck use, drug screen, MVR, and scheduling of the ND State Drive Test. A non-refundable deposit of $300 is required to reserve a seat. The remaining tuition amount is due ten (10) business days before the course start date. Failure to provide payment will result in transferring the registration to the next available start date. Students will be allowed one (1) transfer before registration is dropped and will need to complete the application process again. Lodging and travel expenses are the financial responsibility of the student.

Commercial Driving (CDL) is a short-term, non-credit program; therefore, TrainND Southwest does not offer financial aid or tuition assistance. **Students may qualify for funding from state and federal agencies. Go to bismarckstate.edu/drive to learn more.**

## Refund Policy

A $300 deposit paid upon registration is required to reserve a seat and is non-refundable. Students must contact the BSC Continuing Education office at least ten (10) business days prior to the course start date to request a refund on the remaining paid balance at (701) 224-5600. If a student cancels less than ten (10) business days prior to the start of the course, the entire registration fee is forfeited. Full refunds are guaranteed if BSC Continuing Education cancels a course.

All approved refunds are made by mail unless paid with a credit card or electronic check in which case the card or account is credited. Please allow three (3) weeks to process refunds.

## Transfer Policy

Students must contact the BSC Continuing Education office at least ten (10) business days prior to the start of course to request a transfer at (701) 224-5600. If a participant requests a transfer less than ten (10) business days prior to the start of the course, the entire registration fee is forfeited. Students will be allowed one (1) transfer before registration is dropped requiring the student to complete the application process again.

## Course Prerequisites

The following is required for course registration and to operate a commercial motor vehicle:

- Must be at least 18 years old, however, the required age for operating with a Commercial Driver's License (CDL) outside of state lines is 21 years of age
- Be able to read, write, and speak English well enough to speak with the public, understand highway traffic, signs and signals, respond to official inquiries, and make entries on reports and records
- Current Driver's License
- Medical Examiner's Certificate from a Department of Transportation (DOT) Physical within 24 months prior to the course start date and includes the CLP/CDL designation
- Current Class A Commercial Learner's Permit through the State of North Dakota (passing of the general knowledge, airbrake and combination tests)
- DOT Drug screen dated within ten (10) business days of the course start date
- Motor Vehicle Report (MVR) for each state of residency in the last two (2) years

## Registration Requirements

1. Complete an application (available at bismarckstate.edu/commercialdriving) and submit it in-person at Bismarck State College National Energy Center of Excellence, 1200 Schafer Street, Room 107 or online to bsc.training@bismarckstate.edu*
2. Remit a non-refundable $300 deposit to hold a seat either in-person or by calling (701) 224-5600*
3. Upon receipt of the application form and deposit, students will receive an email from bsc.training@ bismarckstate.edu detailing how to create an online account with CastleBranch. CastleBranch will be used to complete the previously-referenced prerequisites.*
4. The remaining tuition, less the deposit, is due ten (10) business days prior to course start date*

*These items must be completed no later than ten (10) business days prior to the course start date. Failure to provide these documents and remaining tuition balance will delay registration and may result in being transferred to the next available course.

## Course Size

Each course is limited to 4 students per instructor to allow for the maximum learning experience. Enrollment is based on a first-come, first-served basis. Waiting lists are established once classes have met maximum enrollment.

## Course Schedule

This course is 120 hours which includes theory, simulation and drive time. Contact TrainND Southwest for course availability or visit us online at bismarckstate.edu/drive.

## 2022 Course Start Dates

| | | |
|---|---|---|
| April 18 | July 11 | October 3 |
| May 16 | August 8 | November TBD |
| June 13 | September 6 | December TBD |

## Contact Us

### In-Person

National Energy Center of Excellence
1200 Schafer Street, Room 107, Bismarck
Phone: (701) 224-5600 or (877) 846-9387

### Mail

BSC Continuing Education & TrainND
PO Box 5587, Bismarck, ND 58506-5587

### Online

bismarckstate.edu/drive

trainND SOUTHWEST
Powered by: Bismarck State College

Brian Ellersick
TrainND Manager
Bismarck State College
(701) 224-5600
brian.ellersick@bismarckstate.edu

Updated 3/2022

#12825

# DICKINSON STATE UNIVERSITY

## 2021-2023 BIENNIUM

# HAWK HIGHLIGHTS

The Dickinson Press

NEWS | LOCAL | News Reporting

# Recent high school grad finds calling as a welder

"I could do this forever," DSU welding student Dawson Moore said.

DSU welding student Dawson Moore with a metal target system he created for a class project. Contributed / Dawson Moore

By Jason R. O'Day
December 23, 2022 04:31 PM

DICKINSON — Dawson Moore, a 2022 Dickinson High School graduate, said he feels blessed to have found an awesome career after grappling with the uncertainty of what to do with his life, as he had little interest in academics.

"I was so lost. I wouldn't say I barely graduated, but damn near barely graduated. And so I was like, 'I don't think anyone's going to accept me in college.' And I ended up getting (accepted) to NDSU and a school in Watford," Dawson said, adding that he wasn't quite ready to leave Dickinson.

He said he got to dip his toes in the fires of welding for a few days during a high school agriculture course, and knew he enjoyed it despite how challenging it was. Now he's halfway through Dickinson State University's newly launched welding program.

It's a comprehensive program that takes students through several different methods and types of welding. He's still living at home with his parents to save money and said the one year program is costing him approximately $11,000 with tuition, fees and books. Dawson expressed contentment in knowing that he'll avoid the heavy debt load so many college students take on.

"So it's like all the positions: overhead, flat, horizontal and vertical. And then we learn it with all of the different mig, stick, arc, oxyacetylene. And then we do a little bit of aluminum as well, we haven't done it yet. But we plan to do it here in a couple of weeks actually," Moore said. "Then we'll do it with different size plates, thinner material, like eight inch and really thick stuff, like three eighths or maybe half inch if we can get some."

Dawson Moore works on a project.
Contributed / Dawson Moore

Much of the material they use is donated from local businesses, such as Steffes and Fisher Industries.

Before securing his part-time welding job with Iron Works with the help of his instructor Carl Bercier, Moore was working at Walmart unloading trucks and stocking merchandise. It didn't take him long to get this new job and his pay has increased substantially since making the switch.

"He wrote down a list of 25 different places. I called up every single place in Dickinson that does welding. And the only place that called me back the same day was Iron Works," Dawson said.

He had to pass a test that included lap joints, t-joints and downhill welding. The class hadn't covered downhill yet, so Bercier came in on a Friday when they didn't have class to spend 4-5 hours teaching him that technique.

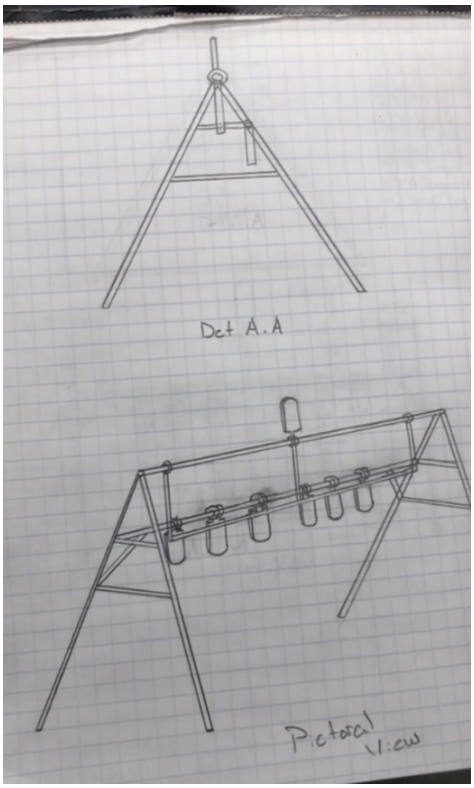
According to the U.S. Bureau of Labor Statistics website, the average hourly wage for welders, cutters, solderers and brazers in May 2021 (latest available data) was $27.57. This makes for an annual salary of $57,550. Moore said some welders on the higher end of the spectrum can make anywhere from $100,000 to $250,000 per year.

"I plan to just do whatever I have to do to hit that $150,000 mark. That's my goal," Moore said, adding he's considering taking a pipeline welding course after completing this.

He added that he's grateful to have an older brother who already has more than two years of welding experience. His father Dustin Moore also provided additional guidance and resources, as he owns a repair service called Dakota Power Hydraulics.

For a recent class project Dawson combined his passion for welding with his love for firearms by creating a mechanized system of steel targets. The targets can be folded up, and collapse when hit. He said he's gotten several requests from friends and might start selling them.

"I learned a lot from doing this. This is more like a prototype. I'm probably gonna make another one and do it the right way. Don't use galvanized steel," he said, adding that next time he'll make sure to use hardened steel for the targets. "We had a 9mm Glock and that works perfectly fine. It did the actions, it reset. But when I got to my .556 AR it just blew right through the thing because it was soft steel so I didn't really use the right steel for the entire project but we have the concept put together and made a blueprint for it."




One of the sketches Dawson drew for his project.
Contributed / Dawson Moore

Working with metal burning torches all day has its risks.

"You notice how my hands are all kind of red all over. It just burns through my gloves. Because your gloves will get so hot. I do pulse arc… 400 amps, and it's extremely hot," Dawson said. "You have to treat your gun like it's an actual gun, you know, you don't want to point it out yourself. Otherwise it will stab right through your clothes, and then it'll poke right through your hand into your leg. Five, six inches. And I've heard a lot of bad stories. Luckily, I've only poked myself, like once in my hand with it and kind of learned my lesson there."

Despite that, he said he loves it and feels like he's found his true calling.

"It mainly just started out as a hobby just at school even and then I thought about it like, I could do this forever… Once you're happy doing something life gets easier," Dawson said. "It's not a job. I get to go to work, not have to."

## Fall 2022 headcount enrollment up 4.1% at Dickinson State University

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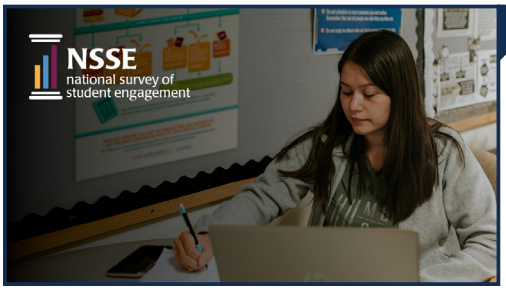


## Dickinson State University students have a clear understanding of their career paths according to recent survey

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## Dickinson State University's Pulver Hall renamed to honor long-time supporters of DSU and Theodore Roosevelt Studies

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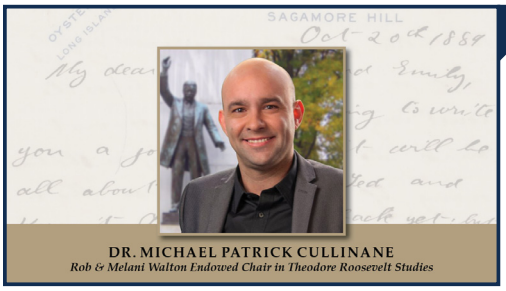


## Walton Endowed Chair of Theodore Roosevelt Studies named

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## Wohletz performs at international music festival

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## Maci Wehri: The journey from Dickinson State University student to National Miss Agriculture USA

*scan QR code to read full article*

The JOURNAL
www.JournalTrib.com Wednesday, August 31, 2022 Crosby, ND Vol. 121, No. 35 - Price $1.00 Crosby, ND

# Working at school while in school

**By Brad Nygaard**

Time management and flexibility are key for Divide County Elementary School para-professionals Ally Grote and McKenzie Hallgren.

Both, now in their second year working at the school, are also licensed substitute teachers – and full-time students at Dickinson State University (DSU), studying elementary education.

The ability for Hallgren and Grote to study at Dickinson while working in Crosby exists because the School of Education at the university started a distance learning curriculum during the spring of 2021. The distance component, according to Department Chair, Joan Aus, allows students flexibility by giving them access to traditional in-person instruction, or online via digital instruction delivered live (synchronously), or recorded (asynchronously).

Brad Nygaard -- The Journal

Ally Grote and McKenzie Hallgren are both working -- and learning -- at Divide County Elementary School, while also attending college remotely.

Hallgren, then a junior at DSU, used the program to start working in Crosby last September. Grote, then a sophomore at Williston State College, was able to start working here three days a week.

Both were answering a local need, according to Sherlock Hirning, school superintendent. "We were desperate last year for 'paras,'" said Hirning. "They (Grote and Hallgren) were able to re-work their schedules to where we could use them both."

The duo basically split one fulltime position. Grote would attend school in Williston three days a week, working in the elementary school on Tuesdays and Thursdays. Hallgren's schedule was opposite. In addition to their paraprofessional duties, both got their licenses to serve as substitute teachers, allowing them "to do a little bit of everything."

"The on-the-job training they're getting far exceeds anything they could read in a textbook," Hirning said.

"Far exceeds," might be a little generous, but Grote and Hallgren said the hybrid nature of their arrangement is providing invaluable experience.

"I think it's really good experience for us to be paras, going into teaching," Grote said. "I feel like I'm way more prepared than just going to a college campus all the time, honestly."

Hallgren supports that sentiment.

"You can read all the text books in the world, but once you get in the school district, you understand more about how to deal with different situations," she said.

Hallgren and Grote are just two of roughly 25 DSU students currently working fulltime as paras and substitute teachers, according to Aus. Five, she said, are teaching fulltime on emergency licenses in other districts in addition to taking full class loads. Overall, Aus said, more than a third of the elementary education students at DSU are employed in various school districts as paraprofessionals on either a full or part-time basis.

"We're continually adapting our practices to meet the needs of distance students, who want to teach in their communities (many rural, such as Crosby) without sacrificing the quality of the content instruction," said Aus.

## Distant, not left out

Just because they're in Crosby doesn't mean Grote and Hallgren aren't involved in their classes.

Hallgren, who has a daily class from 9-9:50 a.m., takes a break from her duties as a para to attend live, via the internet.

"Just because there's so much going on in that class," said Hallgren. "Usually when you watch those, professors will have you submit notes you took throughout the class, or they'll say 'Email me the answer to this question.' They'll point us out and make us feel involved. They treat us like we're in the classroom even though we aren't. They know our names."

Other professors, Grote said, post not only pre-recorded lectures, but also discussion boards online.

"Then you can talk to other students," she said.

That ability to discuss and collaborate with fellow students and faculty, even online, is helpful Hallgren and Grote said. Especially when it comes to students with IEPs (Individualized Educational Plans). IEPs are typically given to a child who has a disability identified under the law, is attending an elementary or secondary school and receives specialized instruction and support services.

"When a professor gives a scenario, you may have a different perspective," Hallgren said. "It all depends on the student and what works for them."

## Multidimensional

Being a paraprofessional with a substitute's license virtually guarantees Grote and Hallgren will spend time in every classroom in the building at some point. That exposure, they said, is invaluable. Not just to them, but also sometimes to the district.

"Say a teacher had to go home sick, we could go in that classroom for the rest of the day," Hallgren said. "They (administration) wouldn't have to worry about finding someone."

"It teaches us flexibility," she continued.

"It's a huge learning experience," Grote said.

So is the opportunity to observe firsthand how each teacher approaches things like transitioning from one topic to the next, developing lesson plans, or how they spend their prep time.

Their roles also allow them to build one-on-one connections, with students as well as teachers.

"I don't think I've run across a teacher who hasn't been willing to help me with a lesson plan, or give me a resource to make my lesson better, or my paper better," said Hallgren.

"And if we don't know something, they're more than willing to explain it to us," Grote said.

That support, Grote said, is more than welcome.

"A lot of times, they check in, 'Hey, how's school going?'" Grote said. "It feels, most times, like a sense of community here."

Both young women began their education at Divide County Elementary – in fact, Principal Tanja Brown was their kindergarten teacher. Both said they'd be more than interested in coming back after getting their degrees to teach fulltime.

They'll be welcome, provided there is a position open.

"Unfortunately, there are no guarantees," Hirning said. "But if past history is any indication, we might have a place for them."

Wherever they might land after graduating, Aus is confident their combinations of experiences puts Grote and Hallgren on a path as good as, or perhaps better than, their traditionally instructed counterparts.

## Dickinson State renames Department of Health and Physical Education and Recreation to the School of Kinesiology

*scan QR code to read full article*

## 17th annual Theodore Roosevelt Symposium a slam dunk

*scan QR code to read full article*

## From the Hawks' Nest: Another solid year for DSU student-athletes

*scan QR code to read full article*

## Skills used to co-author paper garnering international attention are taught in DSU science classes

*scan QR code to read full article*

## First Lady Kathryn Burgum to speak at Dickinson State University

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## Tyson Springer named first women's wrestling head coach

*scan QR code to read full article*

KFYR TV
YOUR NEWS LEADER

# TrainND Northwest to expand CDL course availability to Dickinson area

TrainND Northwest(kfyr)

By Michael Anthony

*Published: Jan. 27, 2022 at 5:47 PM MST*

WILLISTON, N.D. - In order to meet the ongoing demand for more commercial truck drivers, TrainND Northwest officials say they are working to provide more opportunities to train drivers in southwest North Dakota.

Since 2020, Dickinson State University has partnered with Williston State College and TrainND Northwest to offer CDL courses in Dickinson every other month that meet federal requirements. Officials say the recent closings involving milk distributors show the need to provide more frequent classes.

“We all know the trouble we’re having with moving materials and products and all those things, so there’s a massive shortage, and Dickinson is one of the areas that we can expand,” said Kenley Nebeker, Regional Director of TrainND Northwest.

“This expansion effort into Dickinson is ultimately an effort to try and respond and do our part to affect in a positive way that shortage,” said Kenley Nebeker, Regional Director of TrainND Northwest.

Spots are available for training in Dickinson on February 28. Nebeker says he hopes to have monthly courses in Dickinson starting in July.

For more information or to register, visit https://willistonstate.augusoft.net/

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*Since its inception, Dickinson State has strived to deliver excellent education to meet the needs of the region. As the needs of our community have evolved, the University has answered the call for change. We listen to our community task force, who informs us as to what the business community needs in the way of trained workforce leaders. Whether this is certificate, two year, four year or graduate level, the University is responding to the region it serves and offering, or collaborating to offer, educational pathways to meet the need. DSU is offering the same type of education up and down the spectrum to ensure that our workforce in North Dakota is qualified and workers do not need to travel elsewhere to receive education or training.*

Dickinson State University
291 Campus Drive
Dickinson, North Dakota

dsu.hawk@dickinsonstate.edu

1-800-279-HAWK(4295)

**dickinsonstate.edu**

DICKINSON® STATE UNIVERSITY

# Budget Presentation

President Stephen D. Easton

**House of Representatives Appropriations Subcommittee**

**January 11, 2023**

## JANUARY 2020 BUDGET REDUCTION SUMMARY

| | |
|---|---|
| Elimination of 14 Occupied Positions* | $864,676 |
| Vacated Positions Left Unfilled* | $2,582,387 |
| Early Retirements and Voluntary Separations* | $689,881 |
| Non-Personnel Budget Cuts | $1,170,213 |
| **Total Reductions / Biennial Savings** | **$5,307,157** |

**DSU reduced a total of **36 FTE***

DICKINSON® STATE UNIVERSITY

# INITIATIVES

CERT Welding Technology

4 + 1 Ag Program with NDSU

Master of Education-Elementary Education

Online Teacher Education Program

Dual Mission Opportunities

Accelerated Bachelor's to Master's Programming

AAS & CERT Information Technology (F22)

$10,000,000 Theodore Roosevelt Programs Donation

Addiction Studies Minor

New Transfer Pathways

Dual Credit/Early Entry Programming

AAS Diesel Technology (F23)

AAS Fire Protection & Safety (F23)

Tuition Freeze

BSED – Health Education

Summer School/Winter Intersessions

"Back in the Saddle" Scholarships

Delivering Same Remotely as F2F "DSUlive™"

Nursing Simulation Lab Project

Master of Business Administration (MBA)

Counseling Center

Workforce Training/CTE/Collaborations

CDL Truck Driver Training (WSC TrainND)

AAS Construction Technology (F25)

CERT Meat Processing (F23)

Master of Sport Administration

ADRN & Online Bachelor of Science in Nursing (F24)

Career Academy Partnership with Dickinson High School (Innovation Award)

CERT Hospitality

DICKINSON STATE UNIVERSITY

The Dickinson Press

NEWS | LOCAL | News Reporting

## Recent high school grad finds calling as a welder

"I could do this forever," DSU welding student Dawson Moore said.

DSU welding student Dawson Moore with a metal target system he created for a class project. Contributed / Dawson Moore

The JOURNAL
www.JournalTrib.com Wednesday, August 31, 2022 Crosby, ND Vol. 121, No. 35 - Price $1.00 Crosby, ND

# Working at school while in school

KFYR TV
YOUR NEWS LEADER

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By Michael Anthony

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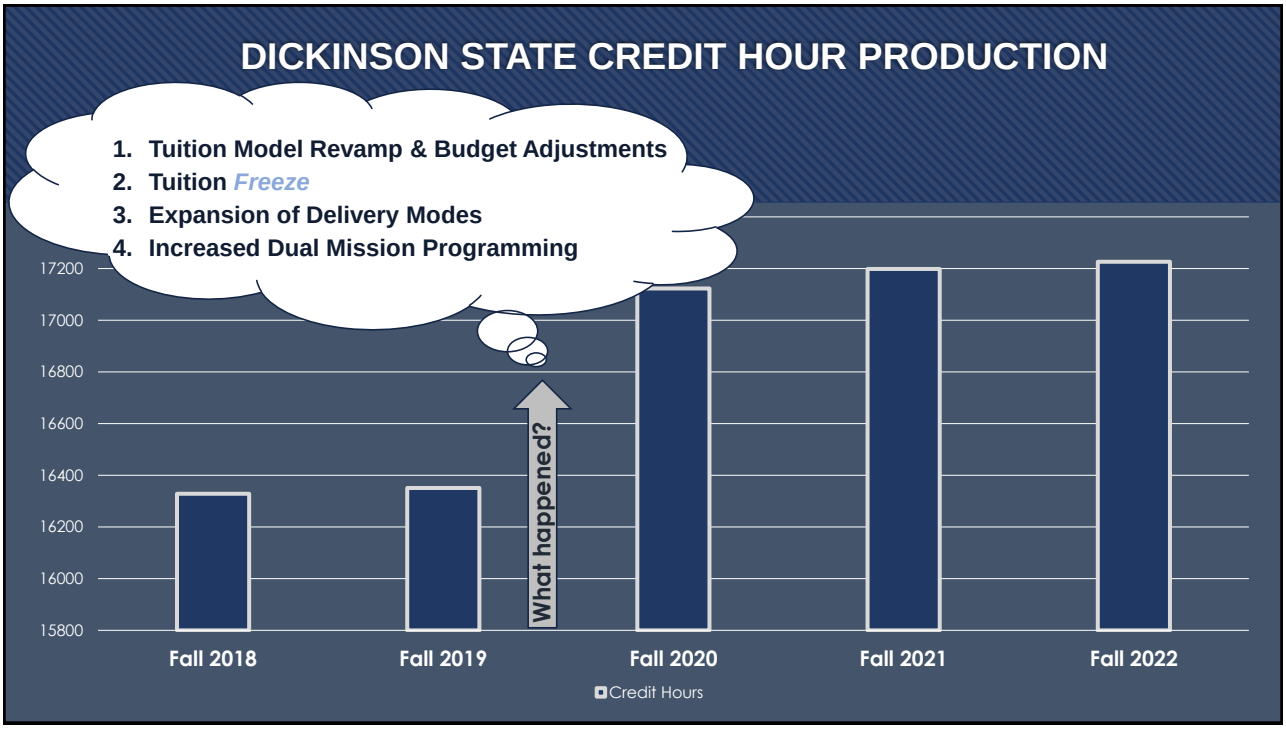
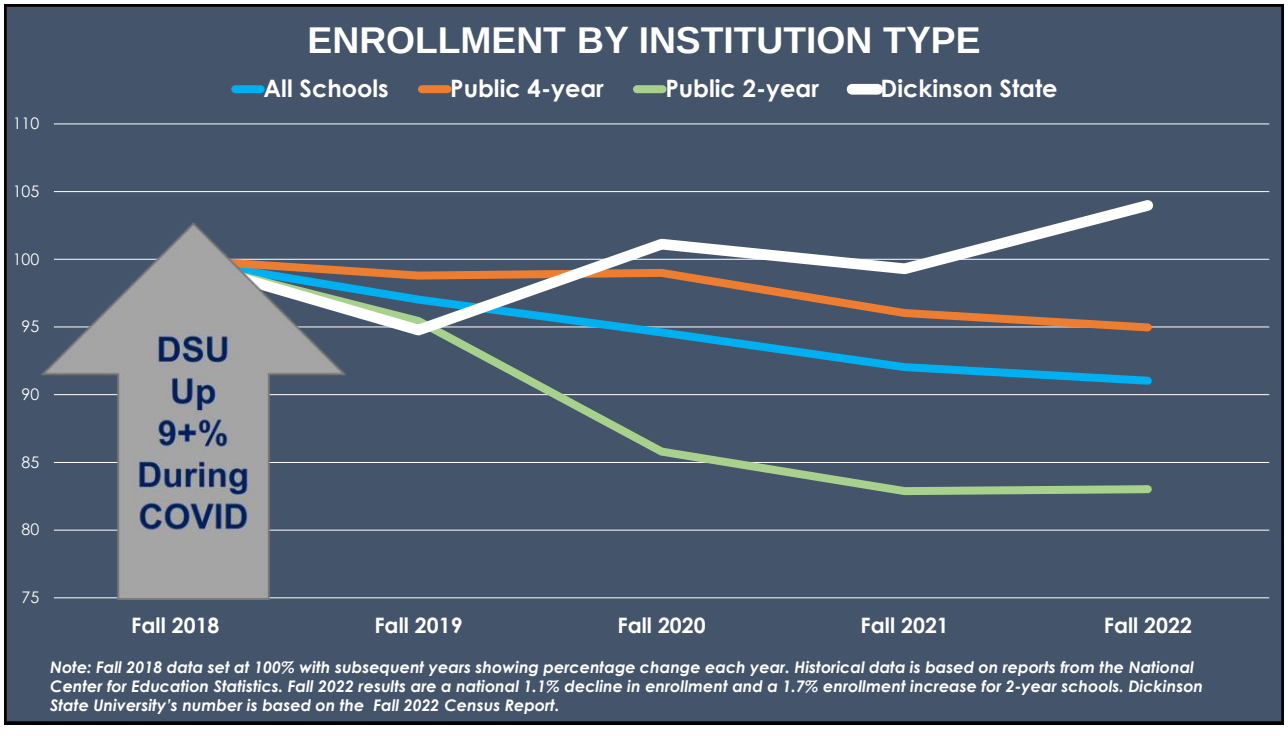
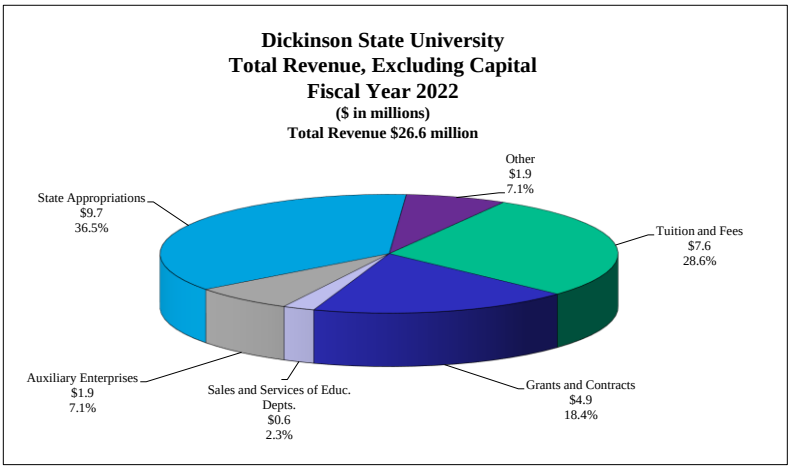
Since its inception, Dickinson State has strived to deliver excellent education to meet the needs of the region. As the needs of our community have evolved, the University has answered the call for change. DSU is offering the same type of education up and down the spectrum, whether at the non-credit, certificate, two year, four year, or graduate level, **to ensure that our workforce in North Dakota is qualified and workers do not need to travel elsewhere to receive education or training**.



## KEY FINDINGS FROM THE 2022 CENSUS REPORT

- **Overall enrollment headcount increased from 1415 to 1473 (4.10%).**
- **Transfer students increased from 149 to 159 (6.71%).**
- **Early Entry/Dual Credit increased from 143 to 229 (60.1%).**
- **Part-time enrollment increased from 425 to 488 (14.8%).**

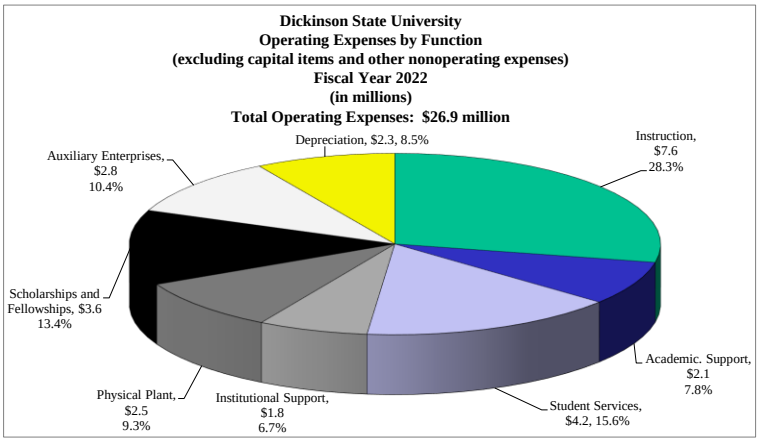





Source: Audited NDUS Financial Statements, June 30, 2022

Auxiliary Enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing.

Sales and Services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are advertising in campus publications, fees for conferences organized by the institution and ticket sales for campus theatrical and musical events.




Source: Audited NDUS Financial Statements, June 30, 2022

The **instructional function** includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. **Academic support** includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. **Student services** include offices that provide a specific service to students, including career services, registration, admission and counseling**. Institutional support** includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The **physical plant function** includes upkeep, maintenance and utilities for campus facilities. **Scholarships and fellowships** include aid provided to students. **Auxiliary enterprises** are the self-supporting activities of the campuses, such as bookstore, food service and housing. **Depreciation** represents the non-cash expense of capitalized assets over time. **Public service** includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The **Research function** is activities specifically organized to produce research.

**Agriculture & Technical Education Building**

$16 million renovation proposal:
**$2.4 to be fundraised by DSU**
**$13.6 state support requested**

## 2023-2025 REQUESTS

1) **Agriculture Building renovation (and $600,000 for additional emergency generator expenses)**
2) **Workforce Education Innovation Fund for startup expenses**
3) **Re-Energize Scholarship Program (for oil and gas workers and their families)**
4) **Challenge Grant support**
5) **Full funding of increased employment expenses and cost explosion relief/assistance**

DICKINSON STATE UNIVERSITY

# House Appropriations Education and Environment Sub-Committee Presentation
January 11, 2023

Stephen Easton, President

## Agency Overview

**00239** Dickinson State University **Hearing Date:** 01/11/2023

**Agency Statutory Authority** North Dakota Century Code 15-13-01.

### Agency Description

Dickinson State University (DSU) is a comprehensive state institution, one of eleven colleges and universities that make up the North Dakota University System. The university employs approximately 180 faculty and staff with an enrollment of approximately 1,400 students. More than 40 programs are offered at the undergraduate level, plus five graduate programs. The institution is comprised of two colleges, the College of Arts and Sciences and the College of Education, Business, and Applied Sciences. The majority of students come from North Dakota, Montana, and other Western and Midwestern states. Slightly over 60% of DSU students are from North Dakota. The 20% from Montana, 3% each from Wyoming and South Dakota, and 10% from other states potentially boost North Dakota's workforce, as many DSU alums stay in North Dakota after graduation. A strong contingent of international students are also an important component of the student body.

### Agency Mission Statement

Dickinson State University is a regional comprehensive institution within the North Dakota University System, whose primary role is to contribute to intellectual, social, economic, and cultural development, especially to southwestern North Dakota. The University's mission is to provide high-quality, accessible programs; to promote excellence in teaching and learning; to support scholarly and creative activities; and to provide service relevant to the economy, health, and quality of life for the citizens of North Dakota.

### Agency Performance Measures

DSU utilizes several North Dakota University System supported software platforms to track student engagement and progress. The University monitors recruitment and retention trends, including enrollment numbers (headcount and full-time equivalency, which is related to credit production), to inform strategic decisions..

### Agency Audit Findings and Actions Taken

*ND State Auditor – Audit for the Two-Year Period Ending June 30, 2020*

The audit report addressed a single finding related to the maintaining procurement documentation. To address this finding, the University established new procurement protocols. Examples of the new procedures include:

1. Having the Assistant AG review proposed contracts and agreements for services.
2. Working closely with Central Technology Service (CTS) on purchases that may involve or impact IT-related services and/or equipment.
3. Attaching documents related to payment on procurement items to the Request for Payment and storing the documents in the PeopleSoft Accounts Payable system.

In subsequent audit testing related to procurement, no issues were found

*Systemwide Transfer of NDUS Coursework – 8/19/2022 - #0126*

DSU currently uses internal and external fetching for NDUS course equivalencies, i.e., a table maintained by DSU where courses are made equivalent from the receiving institution and course equivalence can be "fetched" through a more automated process rather than the manual process required for courses from non-NDUS institutions. Auditors had thought that the built-in transfer process and course fetching were two separate processes, but during the recent NDHEUG conference, it was clarified that this is the same process, but terminology differed. This audit item has been closed.

Dickinson State University typically retrieves the academic transcript from NDUS transfer institution via Campus Connection, so the student is not charged the official transcript fee. DSU also provides student notice on its transcript ordering page. Parchment digital services programmers/engineers are working with NDUS to resolve functionality issues to attempt to ensure NDUS students are not charged for official transcripts for within system transfer. DSU utilizes Parchment software to determine if payments should be refunded.

The Director of Academic Records and Transfer Evaluation Specialist have implemented the review process of GERTA and Common Course Numbers in the Transfer Equivalency System and internal fetching tables to eliminate inconsistencies. The projected completion date for this process is June 1, 2023.

As of the fall 2022 semester, the Transfer Evaluation Specialist equates courses per articulation agreements upon transfer to DSU.

*Systemwide Peoplesoft Supplier Changes & Updates – 6/30/2022 - #0122*

DSU is a part of a group of institutions working with CTS to standardize the update and change process. The issues noted as a part of this audit are to be completed no later than June 30, 2023.

## Agency Major Accomplishments

1. Nationwide, undergraduate enrollment decreased over 9% during the Covid 19 pandemic (i.e., from fall 2019 to fall 2022). During that same time frame, DSU (which is primarily, though no longer solely, an undergraduate institution) accomplished a headcount enrollment increase of more than 9%, bucking the national and regional trends.

2. DSU has significantly expanded its Dual Mission programming in the CTE domain, including already launched and emerging (i.e., under development) programs in health sciences (including a CNA program), criminal justice, information technology, welding, diesel technology, meat processing, CDL (i.e., truck driving), and fire science. Partnership with the Southwest Area CTE Academy has made some of these programs possible.

3. DSU is offering (and working to develop) stackable, laddered credentials including certificates, associate degrees, bachelor's degrees, and master's degrees.

4. DSU's new master's programs include the Master of Arts in Teaching (MAT), the Master of Arts in Teaching-Athletic Educational Leadership, the Master of Entrepreneurship (ME), the Master of Business Administration (MBA), and the Master of Education-Elementary Education (MEd-ELED). DSU's Department of Agriculture and Technical Studies is partnering with North Dakota State University to offer Agriculture Education as a 4+1 offering, with students able to stay in Dickinson to pursue four years of undergraduate courses provided by DSU and one year of graduate courses provided by NDSU remotely. Thus, DSU is providing low-cost, high quality options for learners in our region at the graduate level.

5. DSU has recently added esports, competitive cheer, baseball, JV volleyball, JV men's and women's basketball, and women's wrestling teams to increase enrollment and diversify athletic opportunities for students.

6. DSU has reduced administration costs while still providing full administrative services by replacing what was once three Vice Presidents with a single Vice President/Provost, with half time deans of its two academic colleges, plus a dean of students.

7. DSU has kept the cost of pursuing an education law. Through the relatively young DSU Heritage Foundation, DSU is now offering $1.1 million of scholarships each academic year. DSU also froze its tuition and course fees for the current biennium.

8. DSU has signed agreements with Williston State College and other community colleges that allow students to complete an elementary education degree from DSU while remaining in their home communities.

9. DSU has cooperated with Dickinson Public Schools to provide "Early Entry" education in support of Dickinson High School's career academies.

10. DSU is now offering almost all of its face-to-face courses via simultaneous remote delivery under its trademarked DSUlive® platform. This is crucial to our access mission, as it makes DSU courses available to place-bound leaners, such as high school students and adults, including those who have earned some college credit, but not a degree.

**Agency Future Critical Issues**

1. Due to sales of several major assets by a previous administration, DSU has no substantial assets available for liquidation in the event of emergency.

2. DSU's historic campus has several deteriorating buildings and other facilities, including steam heating tunnels.

3. DSU continues to rebuild faculty and staff morale after a major budget reduction in 2020.

4. As enrollment increases, there are added pressures on the post-2020 downsized faculty and staff.

5. Though DSU is enthusiastic about its Dual Mission designation and the new CTE Center (in partnership with area high schools), it lacks full infrastructure to support forthcoming CTE opportunities and partnerships, including funds to start new technical programs.

## Agency's Request/Recommendation Totals, including FTE positions for the Next Biennium Compared to the Current Biennium

**DICKINSON STATE UNIVERSITY**
**23-25 BIENNIUM BUDGET**

| *Category* | *Base Level 21-23 Biennium* | *Governor's Budget* | *% Chg* |
|---|---|---|---|
| Operations | 50,826,060.00 | 54,965,629.00 | 8.1% |
| Capital Assets | 409,078.00 | 1,309,078.00 | 220.0% |
| Total All Funds | 51,235,138.00 | 56,274,707.00 | 9.8% |
| Less Estimated Income | 30,992,408.00 | 33,578,034.00 | 8.3% |
| Total General Fund | 20,242,730.00 | 22,696,673.00 | 12.1% |
| Full Time Equivalents | 175.50 | 178.00 | 1.4% |

**Explanation of Program Costs and Other Notes (Including Explanation of DSU-Specific Requests Above Governor's Budget Recommendation):**

1. The chart above reflects the governor's budget recommendation. It does not include DSU's additional appropriations requests.

2. Because DSU is a service-orientated agency, personnel costs make up the largest component of its expenditures. Compensation costs account for approximately two-thirds of total anticipated expenditures. The remaining third (approximately) consists of general operating costs. Of total expenditures, approximately 46% is expended in direct support of Instruction, 22% for Institutional and Student Support functions, and 9% in support of the Physical Plant function. The remainder of expenditures are for scholarships and fellowships, auxiliary services, public service, research, and depreciation. The primary cost centers after salaries and wages are utilities, repairs, office and instructional supplies, travel, and staff development.

3. The increase in Operations is primarily driven by the proposed salary adjustments of 6%/4% over the biennium. An increase to the salary would result in a corresponding increase in fringe benefits. Please see discussion of "Full Funding of All Increased Employment Expenses" below.

4. DSU believes that, while the 7.5% inflation adjustment that was apparently used as a part of the overall NDUS budget request may have been reasonable when the budget was developed, an inflation adjustment of 8.5% for most non-compensation expenditures should be used. DSU has already seen significant cost increases in supplies and equipment. Please see the discussion of "Assistance with Past Inflation" below..

5. As the chart above reflects, the governor's budget recommendation includes a $900,000 appropriation for DSU to conduct a feasibility study and other planning costs regarding its proposed renovation of its Agriculture and Technical Education building, including its indoor arena. **DSU actually seeks a $13.6 million appropriation to renovate the Agriculture and Technical Education building**, including much needed

infrastructure improvements to the parking and sidewalk area around the building. The total project is estimated to cost $16 million. The DSU Heritage Foundation is prepared to raise $2.4 million, if the $13.6 million appropriation is approved. Please see the “Capital Project Request” discussion below.

6. As discussed below, the **cost of** purchasing a replacement **emergency generator has risen $600,000 over initial estimates**. DSU seeks an additional appropriation to reflect this added cost.

7. As is true for other North Dakota University System institutions, DSU receives the vast majority of its state support via funding formula payments. These payments are based on credit hours produced. Because DSU’s enrollment has risen steadily in the current biennium, its funding formula payment in the next biennium is expected to rise somewhat. However, the “Estimated Income” category in the chart is concerning, as the main ways that the University could further expand income are by: an increase in the number of credit hours produced (i.e., enrollment); an increase in tuition and other fees; or a combination of the two. DSU has worked hard over the past 4 years to reduce costs and minimize increases to tuition and other fees, having gone the past 3 years with a freeze in these categories. DSU’s Chief Operating Officer estimates that, to generate the 8% revenue increase reflected in the chart of the Governor’s budget proposal, we would probably have to increase tuition and other fees 8 to 10%. Please see discussions of “Full Funding of All Increased Employment Expenses” and “Assistance with Past Inflation” below. If tuition has to go up by these amounts, enrollment will probably go down significantly, as the University anticipates that some current students may not return due to the high cost to attend and students who might have otherwise come to DSU might instead go to a university in South Dakota, Minnesota, or another state that is keeping costs of attendance relatively unchanged.

8. The small increase in FTEs is primarily related to the initiatives that are being advanced by the North Dakota University System, including additional student mental health support. The DSU administration has held the line on FTE after its substantial reduction in January 2020, despite numerous requests at DSU for new positions.

**Support of Requests that Affect the Entire North Dakota University System**

In addition to the DSU-specific appropriations requests discussed above, DSU supports the following appropriations requests that affect the entire North Dakota University System:

1. Full Funding of All Increased Employment Expenses North Dakota University System employees are funded by: (a) funding formula revenue; (b) tuition and fees; (c) other sources (sometimes including federal and grant funding); or (d) some combination of (a), (b), and (c). The Governor has recommended raises of 6% in 2023-24 and an additional 4% in the 2024-25. In addition, health insurance premiums are expected to rise substantially in the next biennium. Finally, with increased salaries, there will also be increased employment taxes. Thus, employment expenses are likely to increase substantially in the upcoming biennium.

It is DSU’s understanding that the Governor’s budget recommendation has only suggested increased appropriations to cover increased employment costs at NDUS institutions for positions financed via funding formula payments. To cover the substantially increased compensation costs for other positions, including those funded via tuition, DSU and other NDUS institutions would have to adopt large tuition increases. Large tuition increases will drive our students to other states that are freezing tuition (such as South Dakota) or otherwise substantially reducing the cost of attendance at state colleges (like Minnesota). Therefore, DSU requests an appropriation for the entire increased costs of employment (i.e., raises, increased health insurance premiums, and additional employment taxes) expected in the upcoming biennium, so substantial tuition increases can be avoided. For DSU, with a biennial compensation expense budget of about $21.4

million, this would add $1.26 million.

2. Assistance with Past Inflation: In 2021, the Consumer Price Index increased 7.5%. https://www.bls.gov/opub/ted/2022/consumer-prices-up-7-5-percent-over-year-ended-january-2022.htm. During the year ending in November, 2022, prices increased an additional 7.1%. *See* https://www.bls.gov/cpi/. Although the CPI measures costs increases for a somewhat different bundle of goods and services than those purchased by colleges and universities, it provides a reasonable, though perhaps understated, estimate of increased costs in the higher education sphere. Thus, it appears that NDUS institutions probably faced inflation over the current biennium of more than 14% for non-compensation expenses.

DSU supports a request for an additional appropriation of 8.5% to cover non-compensation expenses, as this would assist with, though by no means fully solve, the problems associated with past increased costs. DSU's budget for non-compensation costs is approximately $17.2 million per biennium. By using 8.5 % as the inflation adjuster for calculating the appropriation, DSU would be eligible to receive an additional $1.46 million to assist with management of these increased costs, at the 8.5% rate.

3. Workforce Education Innovation Fund This fund would allow NDUS institutions to stand up new workforce programs, by paying start-up expenses for new programs. This would be a game-changer for DSU as we continue to pursue our Dual Mission via career and technical education programs, which are much more expensive than most traditional liberal arts programs. For example, we estimate $2 million of expenses to launch our Diesel Technology program. While the Governor has helpfully incorporated $10 million for these purposes in his budget recommendation, DSU supports the full $24 million NDUS appropriations request.

4. Oil & Gas Scholarship Program: The oil and gas industry provides a substantial portion of North Dakota's taxes, via both extraction and use taxes. DSU supports the NDUS proposal to start a "Re-Energize North Dakota" program that would provide scholarships to those employed in the oil and gas industry, as well as their spouses and children. This program would assist in North Dakota's efforts to retain and attract oil and gas workers. The Governor's budget recommendation includes $10 million for this program. DSU endorses this NDUS initiative.

5. Other NDUS Scholarship Initiatives: DSU supports NDUS proposals for support of academic and CTE scholarships, the ND Career Builders scholarship and loan repayment programs, and Dual Credit scholarships.

6. Increased Challenge Grant Funding: DSU enthusiastically supports the Governor's recommendation to increase Challenge Grant funding to $50 million. Under this program, each dollar that the taxpayers invest in North Dakota higher education is matched by two dollars of private support, so the taxpayers would garner $100 million of investment under the Governor's recommendation. Due to strong community support and effective fundraising by the DSU Heritage Foundation, DSU is usually the first or one of the first NDUS institutions to raise enough funds to use its full Challenge Grant allocation. Thus, an increase in Challenge Grant funding is likely to be a major benefit to DSU and its students.

7. Minimum Funding Formula Payment (a.k.a. "Circuit Breaker"): The NDUS proposal to reinstate a minimum funding formula payment (such as some percentage of the previous biennium's funding formula payment) would not benefit DSU in the current biennium, because DSU's enrollment has increased during the relevant period, so its funding formula payment should also increase. However, DSU supports reinstatement of the minimum funding formula payment, at the level the Legislature determines to be appropriate, as a circuit breaker against conditions outside NDUS institutions' control that drive down enrollment.

8. Higher Education Stabilization Fund: In his testimony before the House Appropriations Committee, NDUS Chancellor Mark Hagerott

reiterated his longstanding support of a higher education stabilization fund patterned after the K12 stabilization fund. As an institution in North Dakota's oil patch and farm and ranch territory, where economic conditions can vary widely over time, DSU supports this initiative.

There is also an area of potential concern. While DSU supports full funding, including "catch up" payments, to support NDPERS defined benefit plans, it cannot support any proposal to have NDUS institutions and other state government agencies pay the "catch up" amounts needed for full funding. If these funds are to come from NDUS institutions, large tuition increases would be unavoidable. It is unfair to ask current student to pay for many past years of underfunding of defined benefit plans. Thus, DSU requests that all catch up payments be fully financed outside of tuition increases.

**Purpose and Use of One-Time Funding for the Current Biennium**

During the 2021 Special Legislative Assembly, DSU was awarded $4,000,000 in one-time funding related to fiscal recovery funding that was intended to be used to complete the Pulver Hall renovation to accommodate the Theodore Roosevelt Center, to remodel an area in the Ag Building to house the meat processing lab, and for other projects. In addition to the two listed projects, which are now complete, DSU is using a portion of these funds to update its nursing simulation center. In addition to other projects of lesser costs, DSU is hoping to use a portion of the funds for a new emergency generator system. When we first estimated the cost for this project, the expected cost was about $1.1 million. When we recently updated this estimate, the expected generator cost rose to $1.7 million, for the same specifications. In addition, there is now a 60-week lead time. This seems to be one of the supply side effects of the Covid 19 epidemic.

As a result of this 55% increase in the cost for this project, it will be necessary to carry over a portion of the overall project cost and to request additional funds for the 23-25 biennium to complete the project. As noted above, DSU requests an additional $600,000 appropriation for this expense.

**Capital Project Request**

DSU's primary capital project appropriations request is for support of major renovation of its Agriculture and Technical Education building, including entry sidewalks, parking lot, and adjoining indoor arena. Based upon discussions with experts, we estimate the renovation will require $16 million. The DSU Heritage Foundation plans to raise $2.4 million for this project. We are requesting $13.6 million in state support. The importance of this project is outlined below.

- The project addresses current life, health, and safety issues

Classroom seating in main Agriculture and Technical Education building (Ag building), has not been replaced since original construction in about 1981, so it is starting to fail. These hazards have potential to cause injuries to students and community members attending Celebration of Scholars, senior Ag presentations, classes, and various other events. The adjoining indoor arena has considerable aging, with exposed rust and other dangers. Substantial roof leaks made the arena unusable due to safety concerns about four years ago. Roof repairs were made, but these roof issues are highly likely to recur. Both the concrete walkway to the building and the adjacent parking lot have substantial pooling of melted snow that freezes during winter, causing both walking and driving risks. [The walking hazard is in a location that cannot be avoided by those entering the building through its main entrance. The parking lot issue is in a driveway that cannot be avoided by those entering the building from State Avenue, which is the entry used by over 90 percent of students, faculty, staff, and community members coming to the Ag building.] Also, fencing needs to be added to parking facilities to prevent animal runaways.

The Ag building and adjacent indoor arena were built prior to the adoption of the ADA. Renovations will take ADA considerations into account, including the water and ice issues noted above.

- The project corrects significant deferred maintenance

The Ag building was constructed more than forty years ago (1981 for the main Ag building; 1979 for the indoor arena portion). Rust, cracking, roofing, and other issues need to be addressed, as does outdated and dangerous classroom seating. [We replaced carpet in the summer of 2022. We believe this is the first carpet replacement in the building's history. Also, we have updated the meat processing lab in the current biennium, thanks to the $4 million legislative appropriation discussed above. We believe these to be the first significant major maintenance projects in the building's history, other than the previously noted roof repairs. We are not requesting funds for these projects, because we addressed them in the current biennium.]

- The project addresses critical maintenance needs

Doors in the indoor arena portion of the Ag building, including large garage-type doors, are overdue for replacement. Rust issues need to be addressed. Roof issues were addressed about four years ago, but they are highly likely to recur.

As noted above, classroom seating needs to be replaced. Failure of the seating will not do damage to the building itself, but it could result in injury.

- The project meets a compelling programmatic or accreditation justification consistent with campus mission and strategic goals

Our Agriculture program is strong, showing a 24 percent increase over the past three years. It presents a small school alternative that some in our region, including central and eastern North Dakota, prefer instead of attending a large university for an Agriculture education. Our Agriculture programs are an important component of our Dual Mission initiatives.

In our Dual Mission efforts, we continue to pursue new ways to cost effectively offer agricultural and technical education. For example, we recently signed an agreement with NDSU to provide a 4 + 1 program (with DSU providing four years of education and NDSU providing one, via distance delivery to students in Dickinson or elsewhere) for those interested in Ag Education master's degrees. This program has already proven to be popular.

As another example of the importance of updating these facilities, our Ag program includes equine classes that use the indoor arena, especially in winter months. Area high school students take our equine courses. We need a functioning indoor arena to facilitate our educational programs, including those that reach non-traditional students. If nothing is done, the centerpiece of one of DSU's key programs will continue to age and deteriorate.

- The project is supported by significant outside funding

Our plan is for the DSU Heritage Foundation to raise $2.4 million, to match the requested $13.6 million in state funding. Thus, we plan to raise a significant portion of the cost of this project.

- The space will be used to advance a specific program or activity that is a high priority of the state

Concern has been expressed about the dilapidated condition of the Ag building, including its attached indoor arena. DSU believes the presence of a strong Agriculture program in western North Dakota is a priority. DSU also believes that a smaller agriculture program is important to the entire state and the region, as some students (including a few from other parts of the state) prefer a smaller program. With the building's indoor arena lacking the technology needed for efficient distance delivery, we need to modernize to correct these deficiencies and advance our educational footprint.

- The project addresses an urgent infrastructure need

As delineated above, there are significant concerns with the current condition of the Ag building, its attached indoor arena, sidewalk, and parking lot. Unfortunately, other deferred maintenance projects will consume the tiered funding that will (hopefully) be provided in the next legislative session. Thus, there will not be enough tiered funding to address the overdue upgrades to this facility and to the remainder of our aging campus. With the addition of the generator for the DSU West campus that is part of this proposal, safety issues will be addressed for animals, students, and others when traditional power is lost. This generator should also provide utility bill cost savings, as power can be purchased less expensively by those with emergency generators.

- The project fosters the consolidation of services or enhances operating efficiencies

The indoor arena has several important uses. It is used as traditional teaching space. Unfortunately, it does not currently have classrooms and modern equipment for effective distance delivery. The arena is used for community events, including but not limited to, "Kids Day on the Farm," an annual event where more than 1,000 youngsters learn about animals and agriculture. It also serves as a practice facility for our rodeo team. Unfortunately, though, it is too small to host a full rodeo and it does not have room for rodeo audience seating. With the improvement of the indoor arena, classrooms and other malfunctioning areas, this facility will be safe for students, faculty, and visitors.

A modernized and expanded indoor arena would upgrade these programs substantially. To be sure, it has been helpful to our Ag programs to have the indoor area, even in its dilapidated condition. But the current learning environment is too small and too dated to fully accommodate our Ag (and rodeo) program needs. Also, a DSU West generator would assure a safe environment for our students to learn during otherwise severe conditions and save DSU operating expenses over the long term.

- The project enables the institution to remove obsolete or unnecessary facilities

The sidewalk and parking lot issues need to be addressed. Being a host for numerous events, this concern has to be fixed. Because DSU wishes to exercise good stewardship to one of our key programs, these changes are urgent to uphold the university's scholarly reputation.

The indoor arena has serious inadequacies, including insufficient space, roofing issues, rust, and door concerns. It is difficult to know when this type of facility is completely "obsolete," as we do continue to use the arena, albeit with significant limitations. But the arena is no longer meeting the needs of those who use it, including the faculty, students, and community members.

We believe that the last time the State of North Dakota funded a new building project at DSU was the 1981 construction of the Ag building. The

state has built many buildings on other NDUS campuses during the intervening four decades. Thus, DSU might have been justified in requesting an entirely new structure for its Ag building. But, as responsible stewards of taxpayer funds, we believe the overdue improvements can be achieved at substantially lower cost, via renovation of the existing facilities.

resourceful. naturally.
engineering and environmental consultants

BARR

January 10, 2023

**Re: HB 1023**

Honorable members of the House Appropriations Education and Environment Division Subcommittee:

Barr Engineering is pleased to provide this letter of support for the North Dakota State University funding request contained in House Bill 1023, which includes resources for an engineering facility. We proudly employ NDSU Alumni.

Demand for engineers in our state is high and NDSU has a vital role in meeting the needs of our industry. The University has a solid reputation of producing leaders in their fields. It is important that continued investments be made to allow NDSU to remain a leader in the education of the future leaders of the engineering profession.

Barr Engineering has offices across the U.S. and Canada. The Bismarck office was opened in 2008 and employs over 30 people. We are honored to serve North Dakotans whether their needs are in the field of water resources, agriculture or the energy industry. Barr Engineering currently has 148 STEM-related openings, with over 120 of them in North Dakota and Minnesota.

NDSU's ability to attract and educate students in the dynamic fields of engineering, with constantly changing technologies, is dependent on continued investments in infrastructure. Barr Engineering encourages this legislature to make a sound investment in the continued advancement of our State by supporting NDSU's request and funding an engineering facility for its campus.

Respectfully,

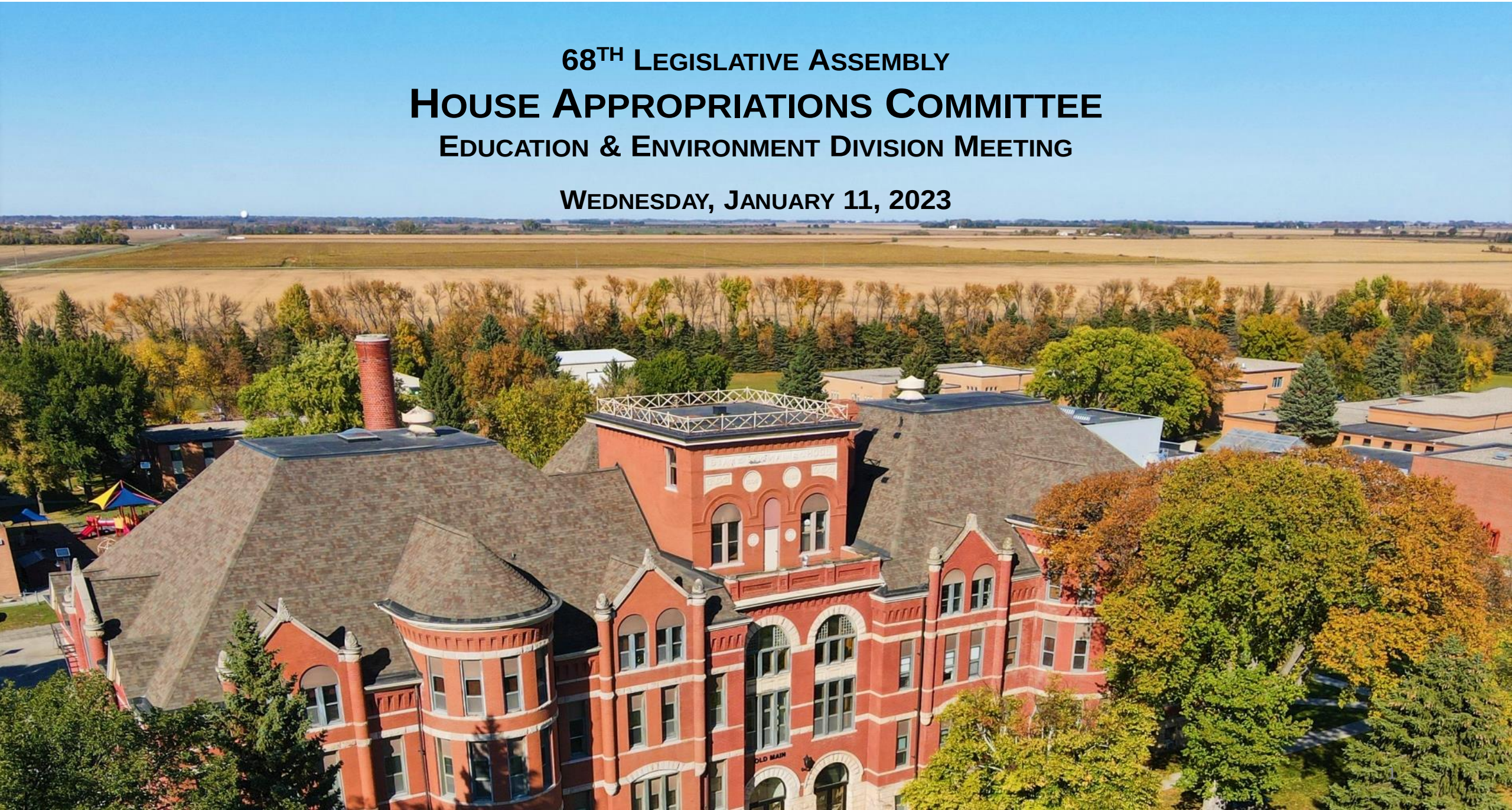
Jason Westbrock, PE
Vice President

# 68TH LEGISLATIVE ASSEMBLY

# HOUSE APPROPRIATIONS COMMITTEE

## EDUCATION & ENVIRONMENT DIVISION MEETING

### WEDNESDAY, JANUARY 11, 2023



Dr. Brian Van Horn
President

Ms. Amber Hill
Vice President for
Business Affairs

Mayville State was established by constitutional charter in 1889 and is a member of the North Dakota University System. ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-13.

## Mayville State University Mission

Mayville State University is dedicated to excellence in teaching, service, and scholarship in dynamic, inclusive and supportive learning environments that are individually focused. We offer quality undergraduate and master's programs enriched with practical experiences to prepare all learners for a global economy.

*Approved by the State Board of Higher Education*
*November, 2016*

**Dr. Brian Van Horn**
**President**

**Ms. Mary Trudeau**
**Executive Assistant**

**Dr. Brian Huschle**
**Vice President for Academic Affairs**

**Ms. Amber Hill**
**Vice President for Business Affairs**

**Ms. Misti Wuori**
**Ms. Rhonda Nelson**
**Interim Co-Deans of Student Affairs**

**Dr. Lon Jorgensen**
**Executive Foundation Director**

**Mr. Jay DeCann**
**Athletic Director**

**Ms. Beth Swenson**
**Director of Public Relations**

# Accomplishments for 2021-2023

1. CFI score improvement from .41 to 3.92.
2. Development of workforce degrees (nursing, special education, master's degrees).
3. Restoration of reserves.

# Challenges for 2023-2025

1. Salary equity to keep a stable workforce at University (currently 73% median of NDUS salaries).
2. Deferred maintenance reduction.
3. Budgetary consistency to remain revenue neutral.

# Highlights

- In 2021, of the 56 ND Math Education graduates who passed the Praxis, 11 came from Mayville State.
- Ranked highest of North Dakota's public colleges and universities on WalletHub Best Colleges List.
- Developed Special Education degrees and courses to raise interest in this high-need area.
- The last two bienniums, Mayville State has added degrees in Education, Agribusiness, and Nursing to aid our state's workforce.

# 80+ graduate, major, minor, certificate, and pre-professional programs

## Graduate Programs

**MASTER OF EDUCATION**

Master of Education (M.Ed.)

Adult Teaching & Learning Track

Innovative Teaching Practices Track

Special Education Track

Graduate Certificate in Educational Studies

Graduate Certificate in Special Education

Graduate Certificate in Online Digital Teaching

**MASTER OF ARTS IN TEACHING**

Master of Arts in Teaching (M.A.T.)

**MASTER OF SCIENCE IN NURSING**

Master of Science in Nursing (M.S.N.)

Nursing Leadership & Management Track

Nurse Educator Track

Nurse Educator Certificate

Nursing Leadership & Management Certificate

# 80+ graduate, major, minor, certificate, and pre-professional programs

**BIOLOGY**
Biology B.S.
Biology Minor
Composite in Science Education B.S.Ed.

**BUSINESS**
Accounting B.S.
Business Administration B.S.
Business Administration B.A.S.
Business Management A.A.
Accounting Minor
Business Administration Minor

**CHEMISTRY**
Chemistry B.S.
Chemistry Minor

**COMMUNICATION**
Communication B.A.
Communication Minor

**EARLY CHILDHOOD**
Early Childhood A.A.
Early Childhood B.A.
Early Childhood Education B.S.Ed.
Early Childhood Education Minor

**EDUCATION**
Elementary Education B.S.Ed.
Secondary Professional Education

**ENGLISH**
English B.A.
English Education B.S.Ed.
English/English Education Minor

**GEOGRAPHYa**
Geography Minor

**HEALTH, PHYSICAL EDUCATION & RECREATION**
Allied Health B.S.
Coaching Minor
Fitness and Wellness B.S.
Fitness and Wellness Minor
Health Education B.S.Ed.
Health Education Minor
Physical Education B.S.Ed.
Physical Education Minor
Sport Coaching B.S.
Sport Management B.S.
Sport Management Minor

**HISTORY**
History/History Education Minor

**HUMANITIES**
Music Minor
University Studies A.A.
University Studies, B.U.S.

**LIBRARY MEDIA AND INFORMATION SCIENCE**
Library Media and Information Science Minor

**MATHEMATICS**
Mathematics B.S.
Mathematics Education B.S.Ed.
Mathematics/Mathematics Education Minor

**NURSING**
Nursing (RN-to-BSN) B.S.

**PSYCHOLOGY**
Applied Psychology B.A.
Psychology Minor
Psychology Education Minor

**SCIENCE**
Agribusiness B.S.
General Science Minor
Physical Science Minor
Science for the Elementary Teacher Minor

**SOCIAL SCIENCE**
Composite in Social Science Education B.S.Ed.
Social Science B.A.
Social Science/Social Science Education Minor
Sociology Minor

**SPECIAL EDUCATION**
Special Education - Early Childhood B.S.Ed.
Special Education - Elementary Educ. B.S.Ed.
Special Education - Secondary B.S.Ed.
Special Needs Minor

**Certificates**
Biotechnology Certificate
Business Studies Certificate
Kindergarten Endorsement
Online Digital Teaching Certificate
Special Education Certificate
Developmental Adapted Physical Education Certificate
Emergency Response Certificate Program
Certificate in College Studies

**Pre-Professional**
Some students find it convenient to complete the first few years of college here before transferring to other institutions for advanced specializations.

# Building Our Workforce

With over 80 major and minor programs, Mayville State University builds North Dakota's workforce by teaching in-demand workplace skills through traditional academic programming, such as bachelor's degrees in Special Education, Mathematics, Communications, Applied Psychology, and Biology while also offering bachelor's degrees in workforce programs such as Accounting, Business Administration, Nursing, Early Childhood Education, Elementary and Secondary Education, and Sport Management, and many pre-professional tracks.

Mayville State constantly innovates to meet the workforce needs of North Dakota. Two recent examples include:

## Bachelor of Science in Special Education

- Prepares teacher candidates for entry to special education professional practice with knowledge and skills to practice safely, ethically, and effectively with a multi-categorical population of students with special needs.
- Fast-track option as well as an option for currently licensed teachers.

## Bachelor of Science in Agribusiness

- Prepares students to fill workforce needs in sales, cooperatives, banking, finance, and other agribusiness fields with skills found in the many facets of agriculture-related businesses in North Dakota and beyond.
- This program is purposefully developed for delivery in traditional, online, and hybrid models.

Jack Gerber
2022 Graduate - Agribusiness
Hometown: East Grand Forks, MN

# Advancing Our Workforce

## Master of Education

M.Ed. degree offered online provides teaching professionals with online opportunities to advance their education.

- 8-week block programming allows currently licensed teachers to complete a Master of Education in as little as one year.
- Professional Teachers can choose from three tracks: Adult Teaching and Learning; Innovative Teaching Practices; or Special Education.

## Master of Arts in Teaching

MAT degree allows people with a non-teaching bachelor's degree to enter the teaching profession with a master's degree.

- Program is fully online, offering adults flexible and affordable advancement.
- Graduates enter the teaching profession in Social Studies, Mathematics, English, and Health and Physical Education.

## Master of Science in Nursing

Prepares nurses who hold a BSN for advanced nursing roles in healthcare leadership and management settings. Innovative program includes two tracks offered entirely online in five-week blocks.

- Nurse Educator Graduate Track prepares the baccalaureate-level registered nurse for advanced educator roles in academic and practice settings.
- Nursing Leadership & Management Graduate Track prepares the baccalaureate-level registered nurse for advanced nursing roles in healthcare leadership and management.

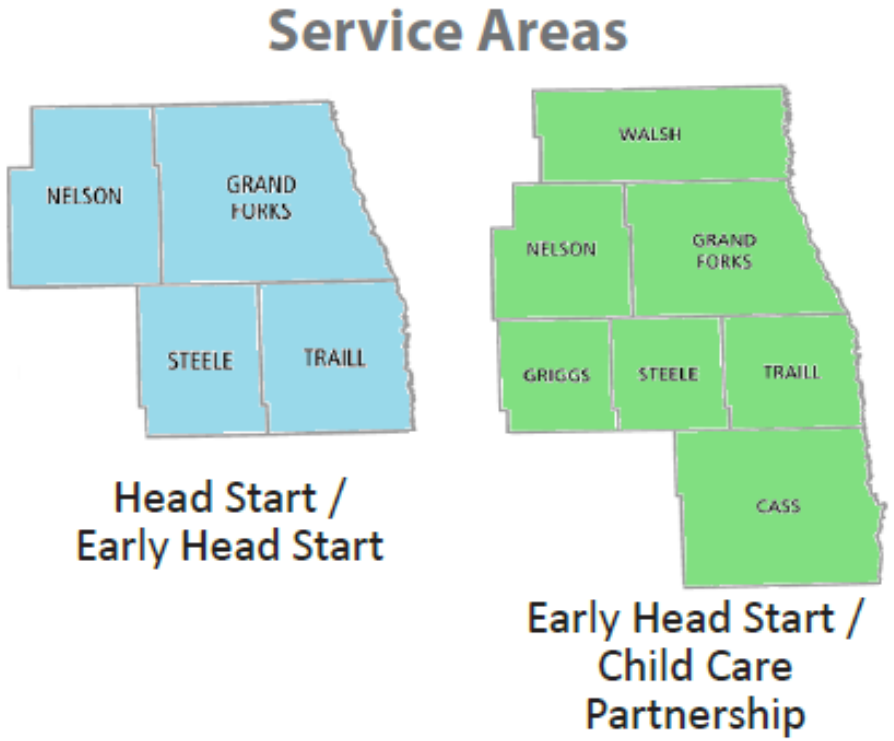
# Mayville State University Child Development Programs

(Head Start, Early Head Start, Early Head Start/Child Care Partnerships, Child Care, Lab School, and Pre-K Collaborations)

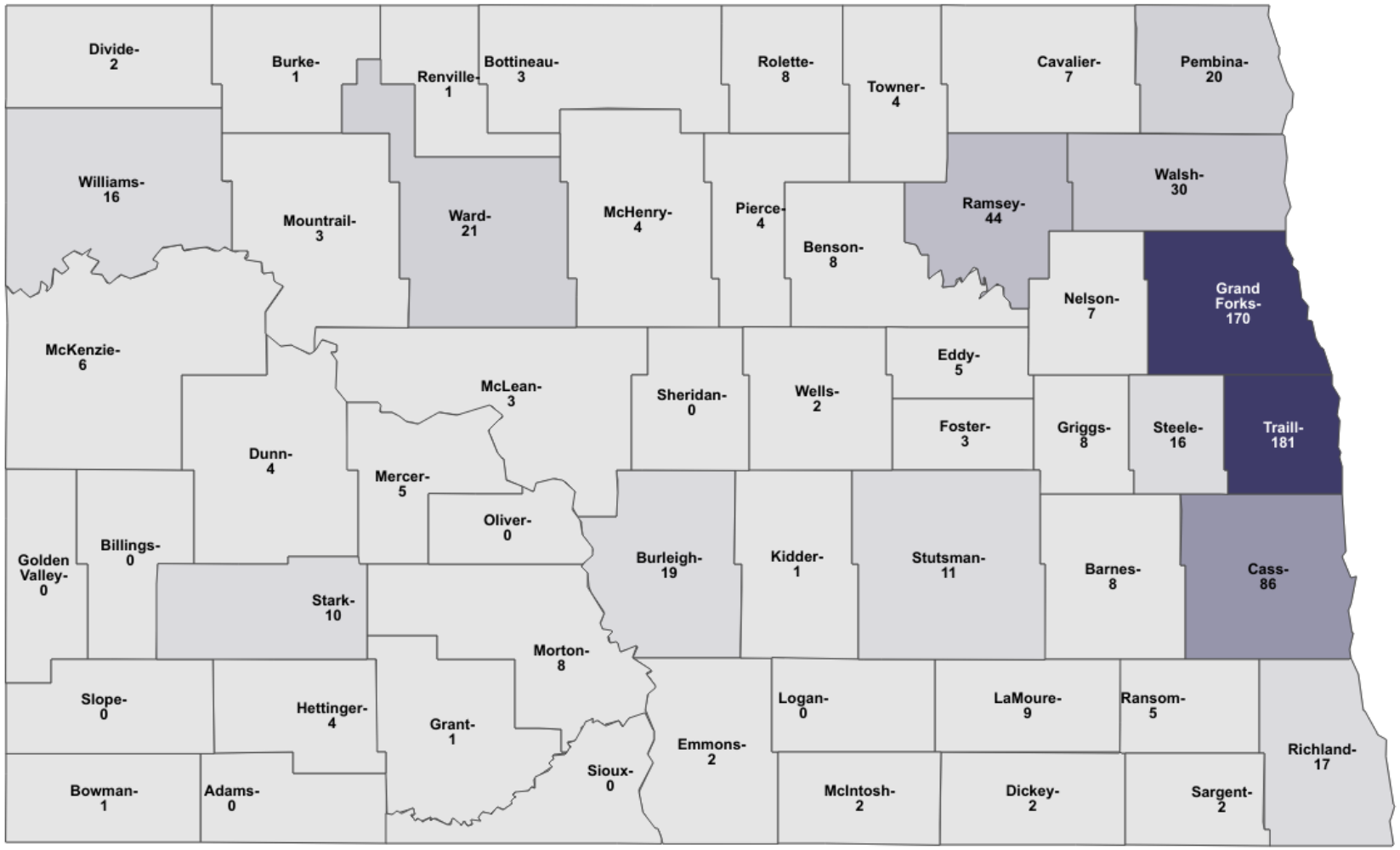
Mayville State University Child Development Programs (MSU CDP) leads the field of early childhood education in North Dakota by innovative collaborations with school districts, childcare centers, communities, higher education, and state agencies.

The program's **$4.8 million dollar annual budget** serves over **300** children and their families across **seven (7) counties**: Traill, Steele, Griggs, Nelson, Walsh, Cass, and Grand Forks.

Mayville State Child Development Programs centers and classrooms are situated in **seven (7) locations** in these communities: Mayville, Portland, Hillsboro, Buxton, Grand Forks, Fargo, and West Fargo.



# Serving North Dakota Students



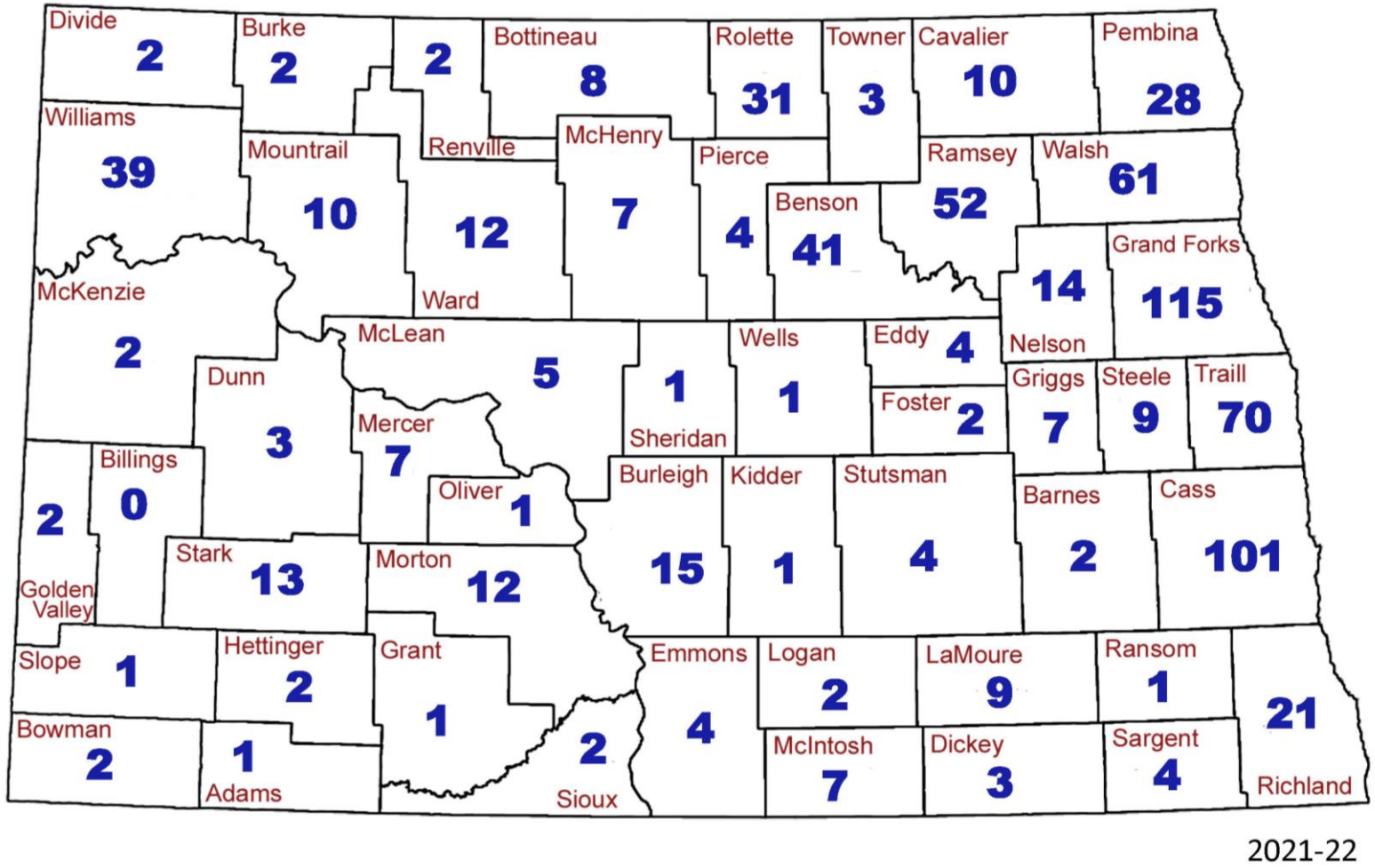

**69%**

of ALL our students are from North Dakota (chart at left)

**79%**

of freshman students are from North Dakota

# MSU Grads Produce Educator Workforce in ND




2021-22

Nearly **800** of our graduates are teachers or administrators in North Dakota (chart at left)

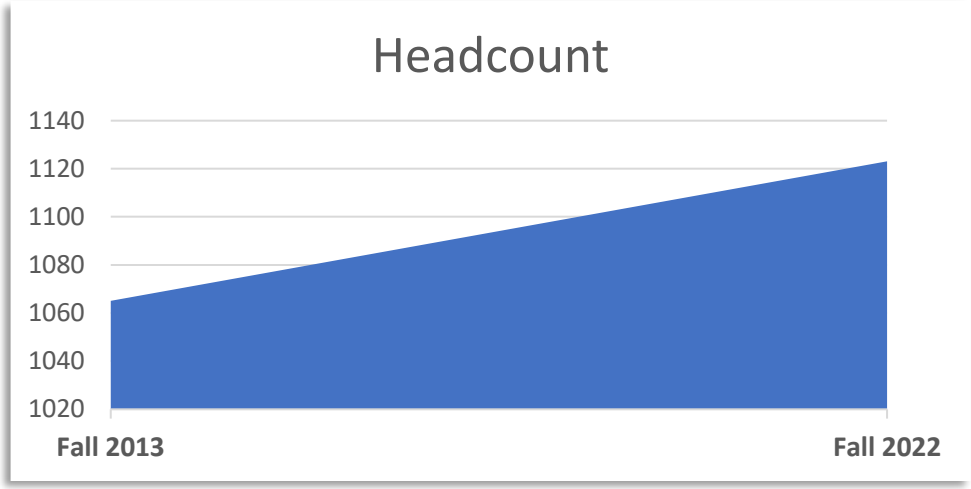
**69%** of ALL Mayville State graduates are employed in North Dakota and/or continuing their education

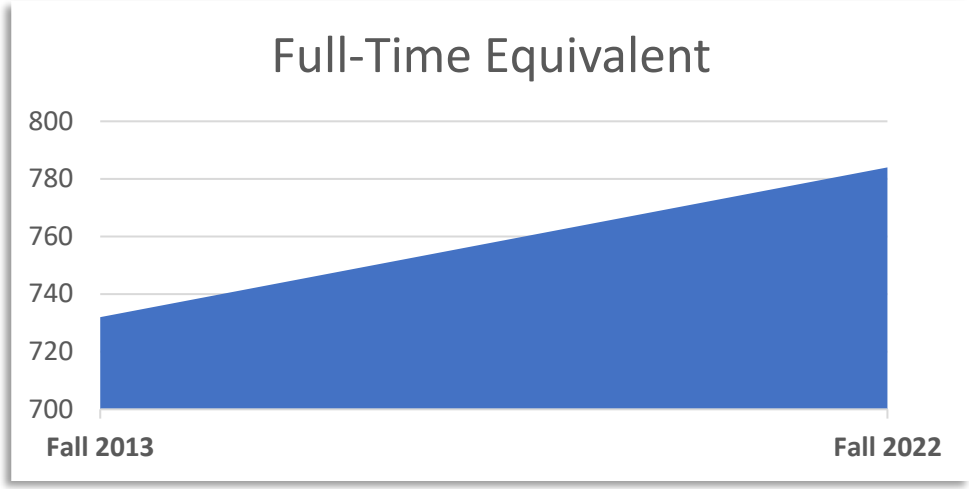
# What Sets Mayville State Apart?

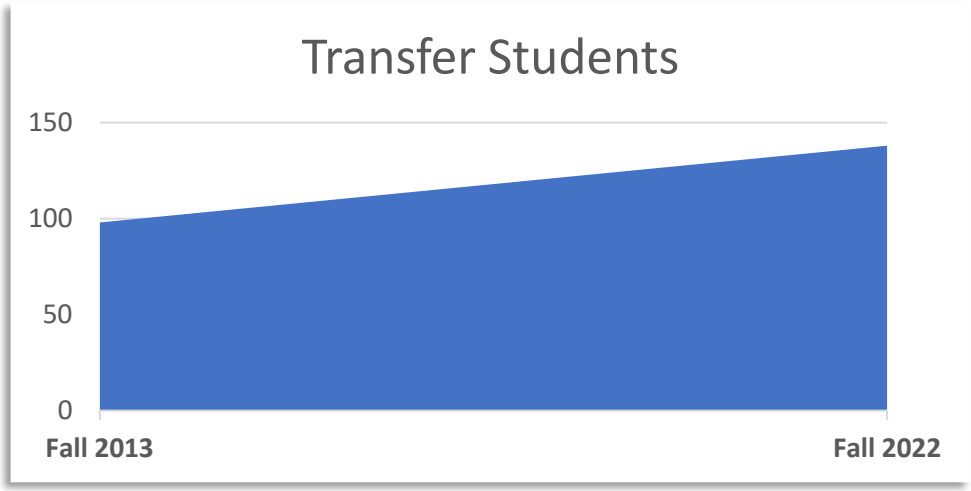
## Education/Development of the Whole Student at Mayville State

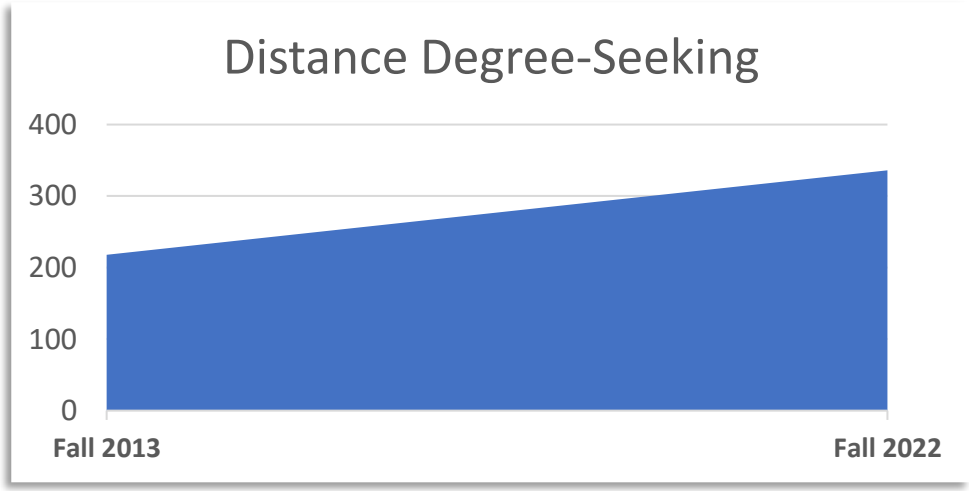
- Intellectual development
- Personal growth
- Volunteerism
- Community
- Character development
- Social, emotional and personal development
- Leadership development

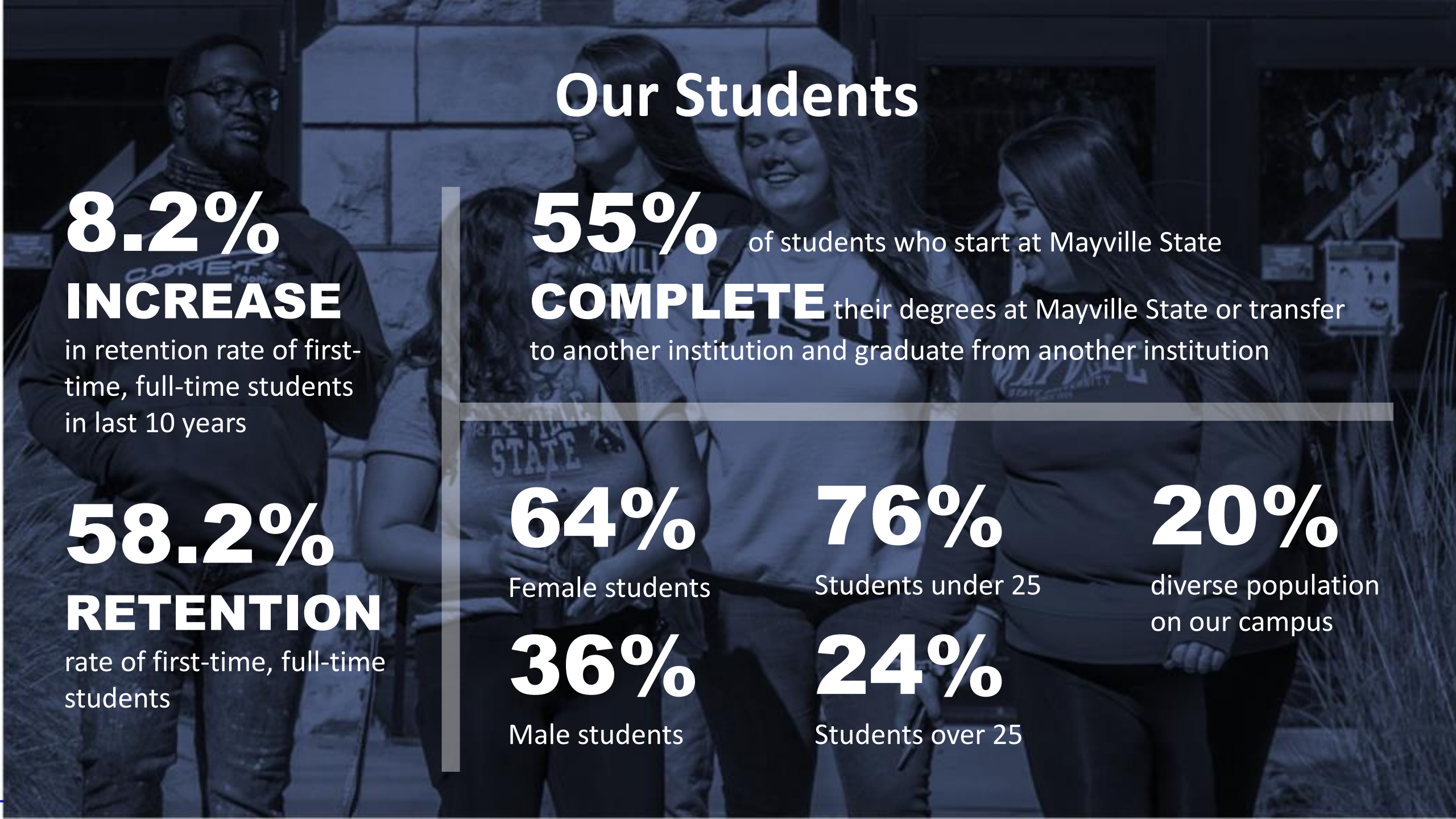
# Enrollment Initiatives Yield Steady Increases





# Our Students

**8.2%**
**INCREASE**
in retention rate of first-time, full-time students in last 10 years

**58.2%**
**RETENTION**
rate of first-time, full-time students

**55%** of students who start at Mayville State **COMPLETE** their degrees at Mayville State or transfer to another institution and graduate from another institution

**64%**
Female students

**36%**
Male students

**76%**
Students under 25

**24%**
Students over 25

**20%**
diverse population on our campus

# Our Student Success

**99%**

Graduates are employed and/or are continuing their education

**93%**

Graduates are employed in field related to their studies

**80%**

Nursing program students are from North Dakota and are working full-time

**69%**

Master's program graduates employed in North Dakota and/or continuing education

**98%**

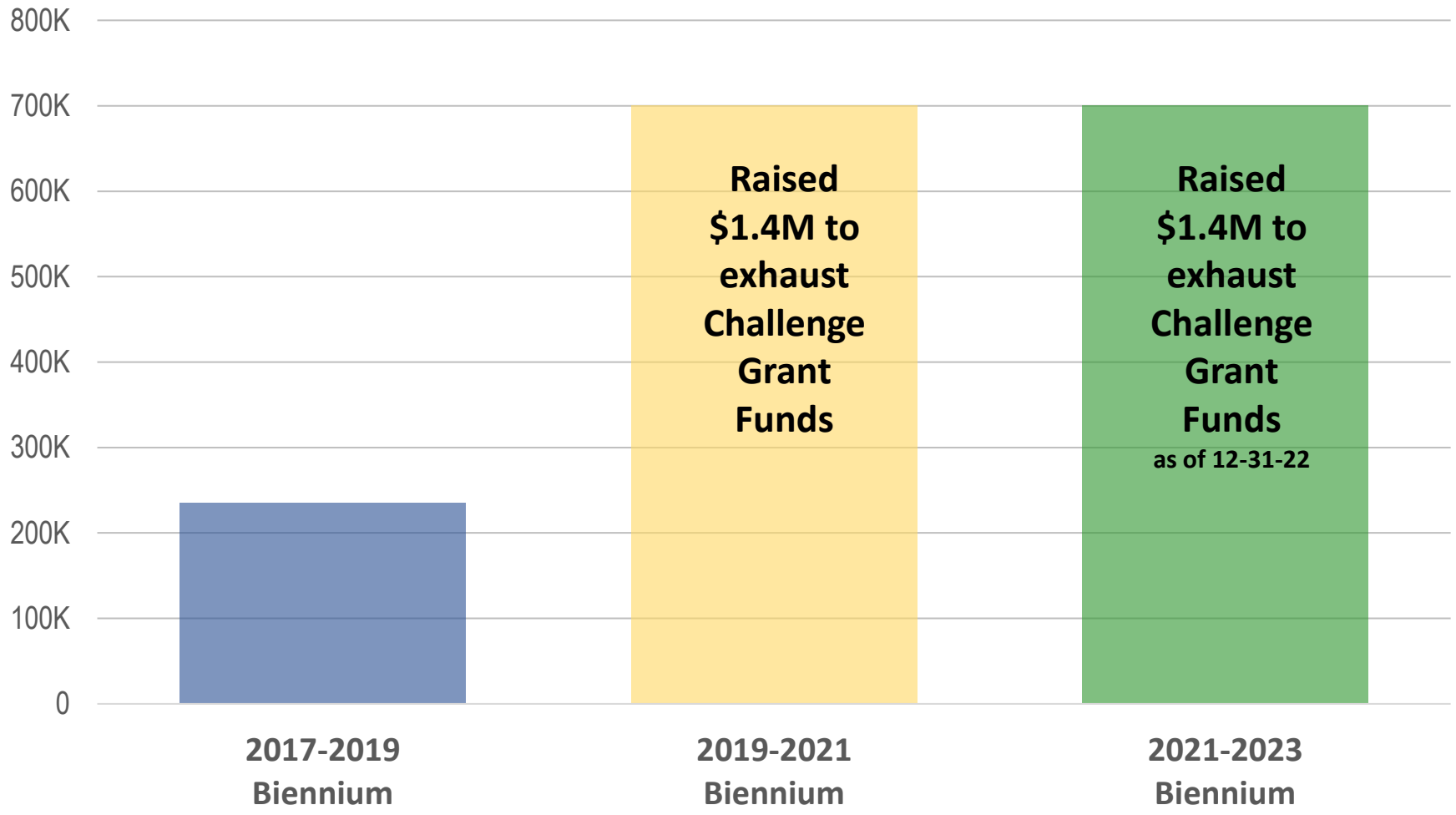
Master's program graduates employed and/or continuing education

**92%**

Master's program graduates employed in field related to their studies

# Huge Impact of Challenge Grant Funds for Students

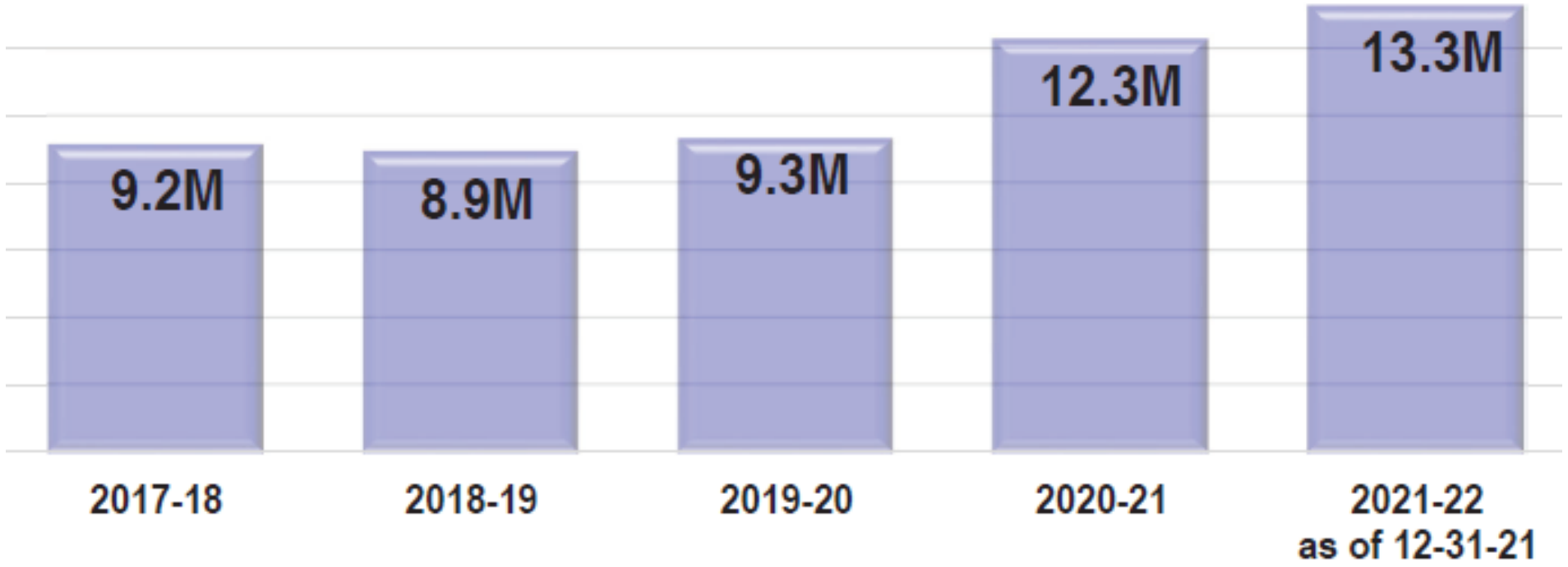
- Nearly $3 million generated for scholarships from inception.
- Over 1/3 of our students receive scholarship funding.
- Donors appreciate opportunity to spread their gift further with matching funds.



# Steady Increase in Foundation Assets

The MSU Foundation manages endowment programs for scholarships and annual giving programs for both scholarships and operations.

The true purpose behind our existence is to provide every opportunity and open every door possible to our students.




All information taken from MSU Foundation Balance Sheet June 30 of each year

# Shared Services, Collaborations, and Partnerships

- Nursing collaboration at Mayville with Dakota Nursing Program; articulation with LRSC, BSC, WSC, DCB, NDSCS for RN-to-BSN program.
- Collaboration with North Dakota Center for Distance Education (NDCDE) for dual credit offering of eleven courses in 2022-23.
- Shared services across NDUS include: payroll and benefit services, research support, NSF EPSCoR research, IRB, and IACUC with NDSU; telephone system, NIH INBRE, and NASA EPSCoR research with UND.
- Support of Dakota Digital Academy.

# Audited process improvements for 19-21 Biennium

**Controls, Training and Processes Regarding Payroll** - Numerous errors were discovered leading to the following corrections:

- A formal pay form was created requiring signature by employee, supervisor, cabinet, and payroll.
- Ensure all changes and/or deletions are supported, and documentation is maintained.
- Internal controls and processes implemented.

**Bank Reconciliations -** Bank reconciliation were not reconciled timely.

- Statements are reconciled in the Peoplesoft system timely and verified by another individual.

**Controls Surrounding System Reconciliations -** Financial systems were not reconciled against each other (Peoplesoft, Quickbooks and Students.)

- The bursar now reconciles the student account ledger to the general ledger detail and CDP Quickbooks balances.

**Controls Surrounding Journal Entries -** Journals were not reviewed and documented before posting.

- Support is attached, funding structure coding review and approval documented in Peoplesoft.

**Purchasing Card Exceptions –** Pcards included taxed items, were not properly authorized, and did not maintain proper support.

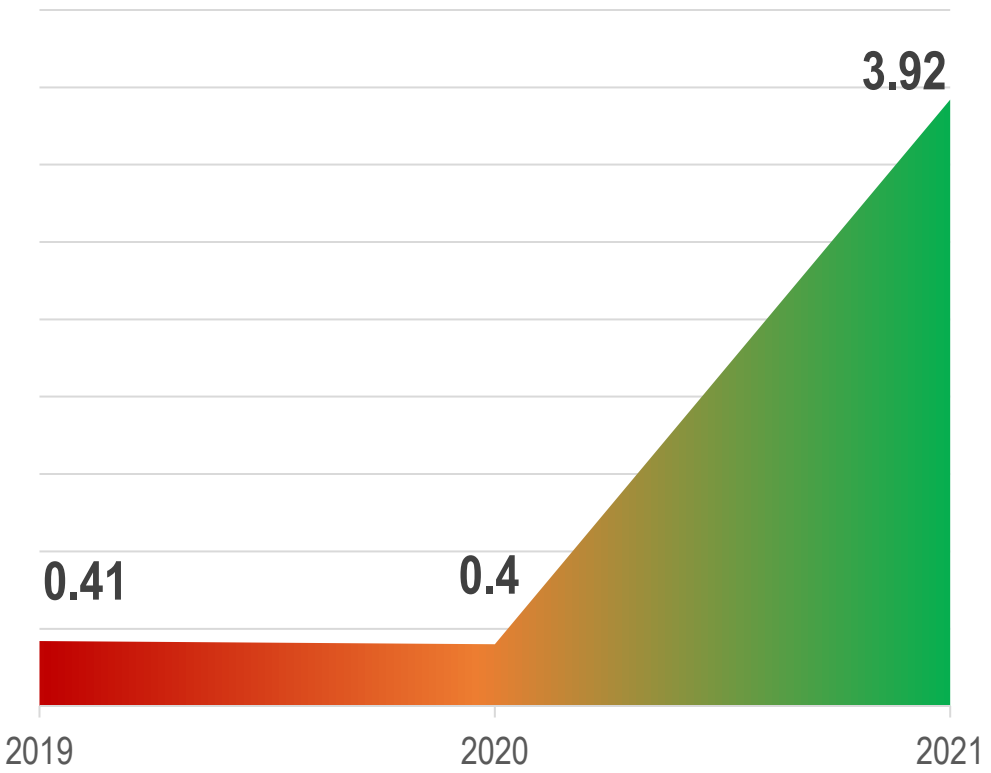
- Purchasing card reconciliations are reviewed monthly, receipts are attached and verified and properly authorized.

**Waivers Awarded Improperly –** Waivers were posted to student accounts without a formal approval process and criteria documentation.

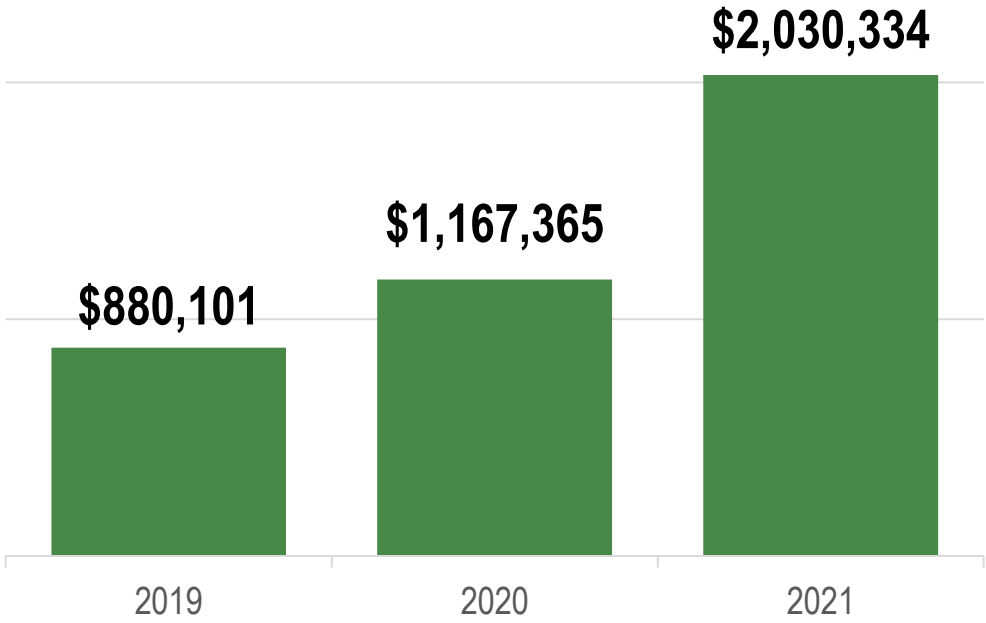
- Processes were implemented to establish documentation of criteria for waiver eligibility in addition to a committee approval verification.

# Improved Financial Health

**Raised Composite Financial Index (CFI) score.**



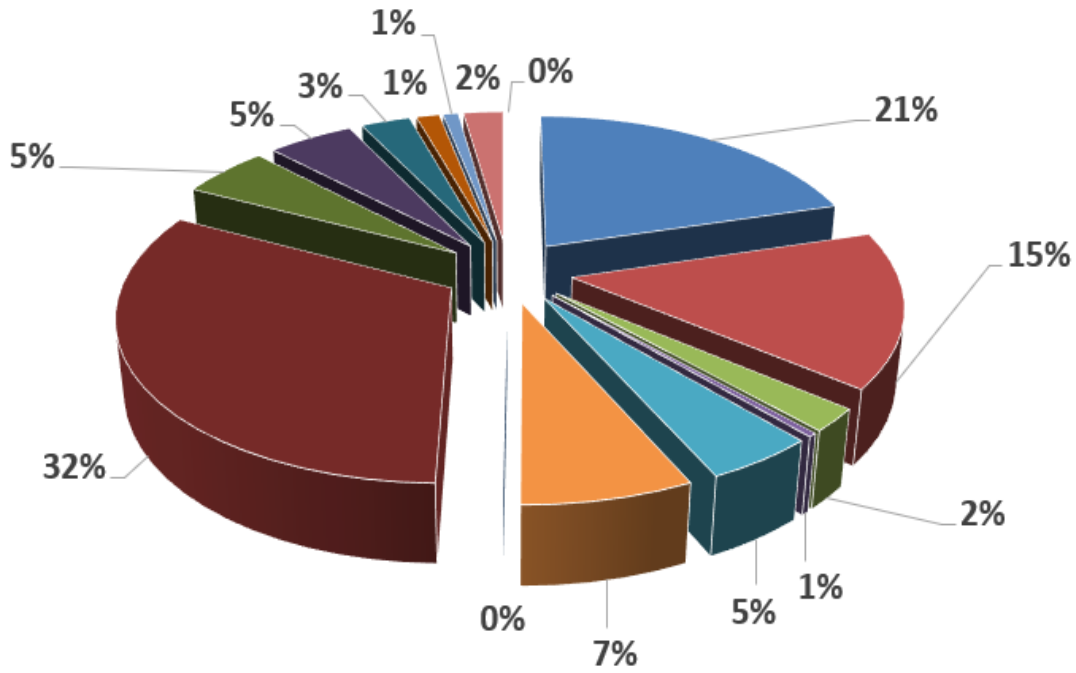

**Increase in Appropriated Reserves**



# Revenue and Expenses

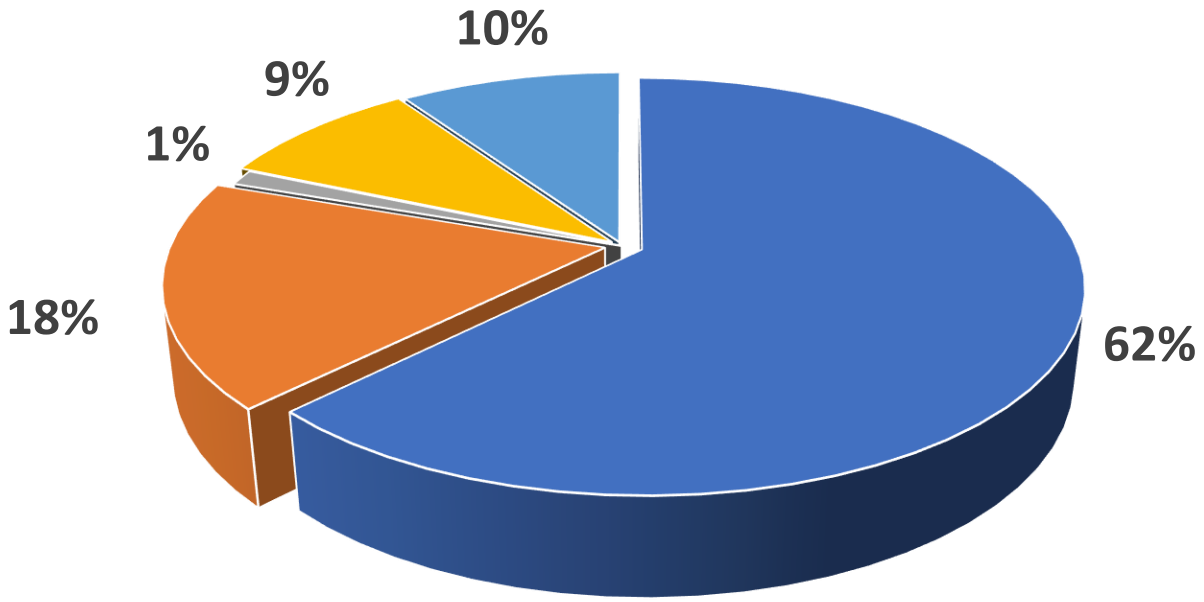
(Audited 2022 Financials)

## 2021-22 Revenue




- Student tuition and fees
- Federal grants and contracts
- State grants and contracts
- Nongovernmental grants and contracts
- Sales and services of educational departments
- Auxiliary enterprises
- Other operating revenue
- State appropriations
- Federal grants and contracts
- Federal grants and contracts stimulus
- Gifts
- Endowment and investment income
- Tax revenues
- State appropriations - capital assets

## 2021-22 Operating Expenses

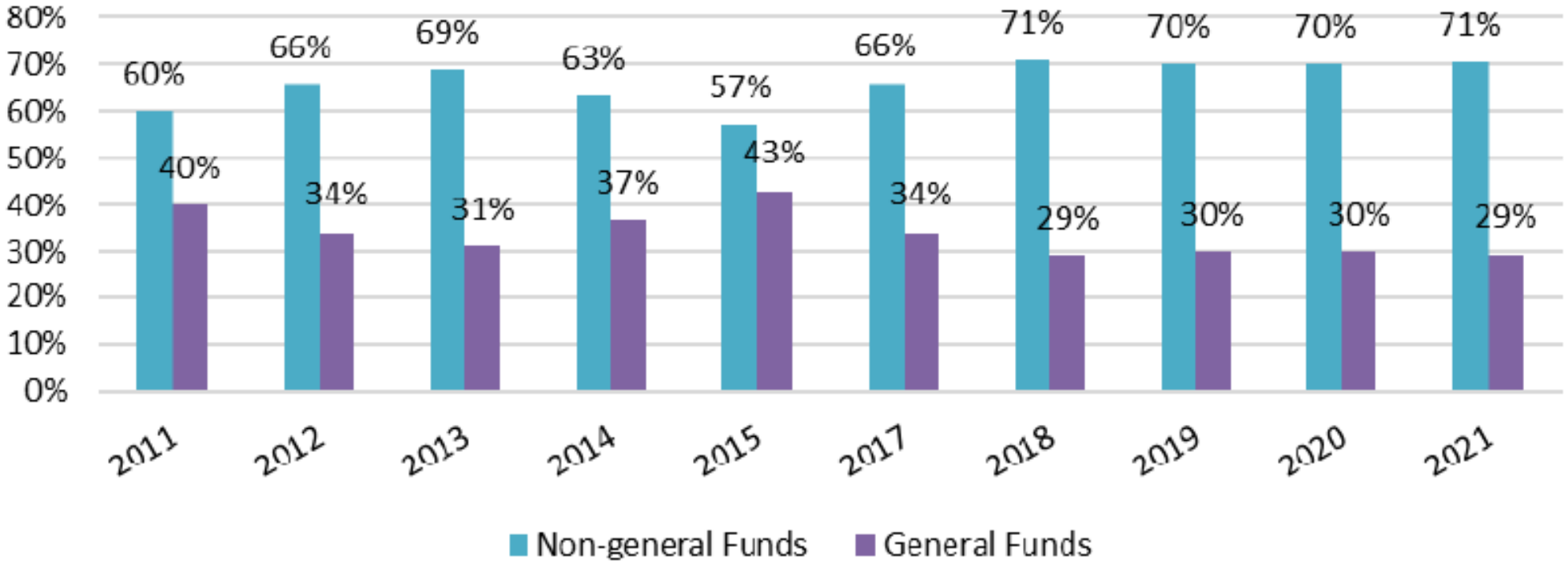



- Salaries and wages
- Operating Expenses
- Data processing
- Depreciation expense
- Scholarships and fellowships

# General Appropriations Leverage

NDUS ECONOMIC CONTRIBUTION REPORT FY2021

Figure 1. General Funds and Non-general Funds as a Percentage of Total Expenditures, Mayville State University, 2011-2021




(2016 not reported by NDUS)

# Compensation Equity

On average, a full-time benefitted Mayville employee makes **73%** of their counterpart at other NDUS institutions.

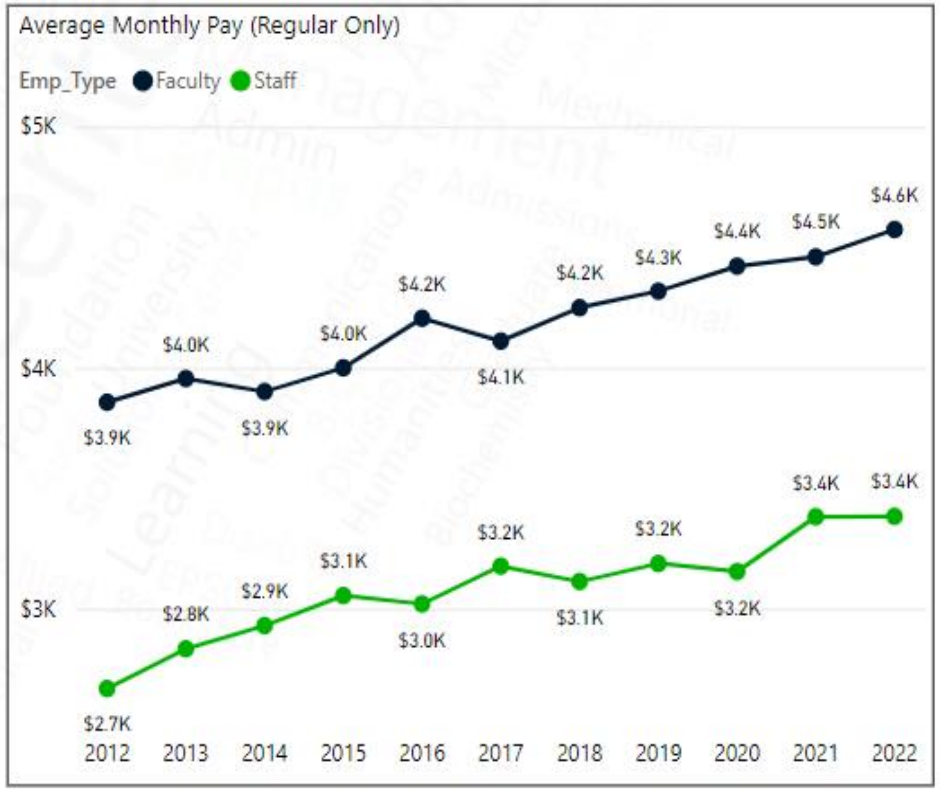
The **27%** median pay gap widens when compared to other North Dakota and neighboring competitive institutions.

This growing competitive disadvantage significantly hampers Mayville's ability to attract and retain workforce talent.

## Mayville State University

**Human Resource Measures 2011-2022**

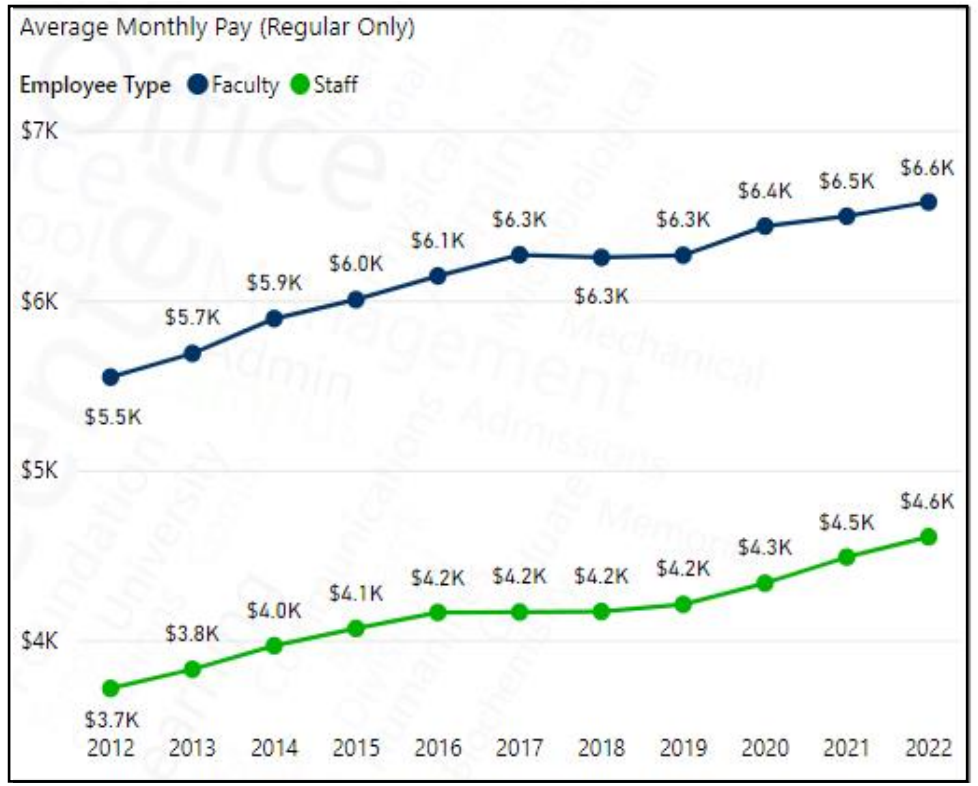
| $40,486 | 282 | 221.47 |
|---|---|---|
| Median Annual Income | 2022 Headcount | 2022 FTE |



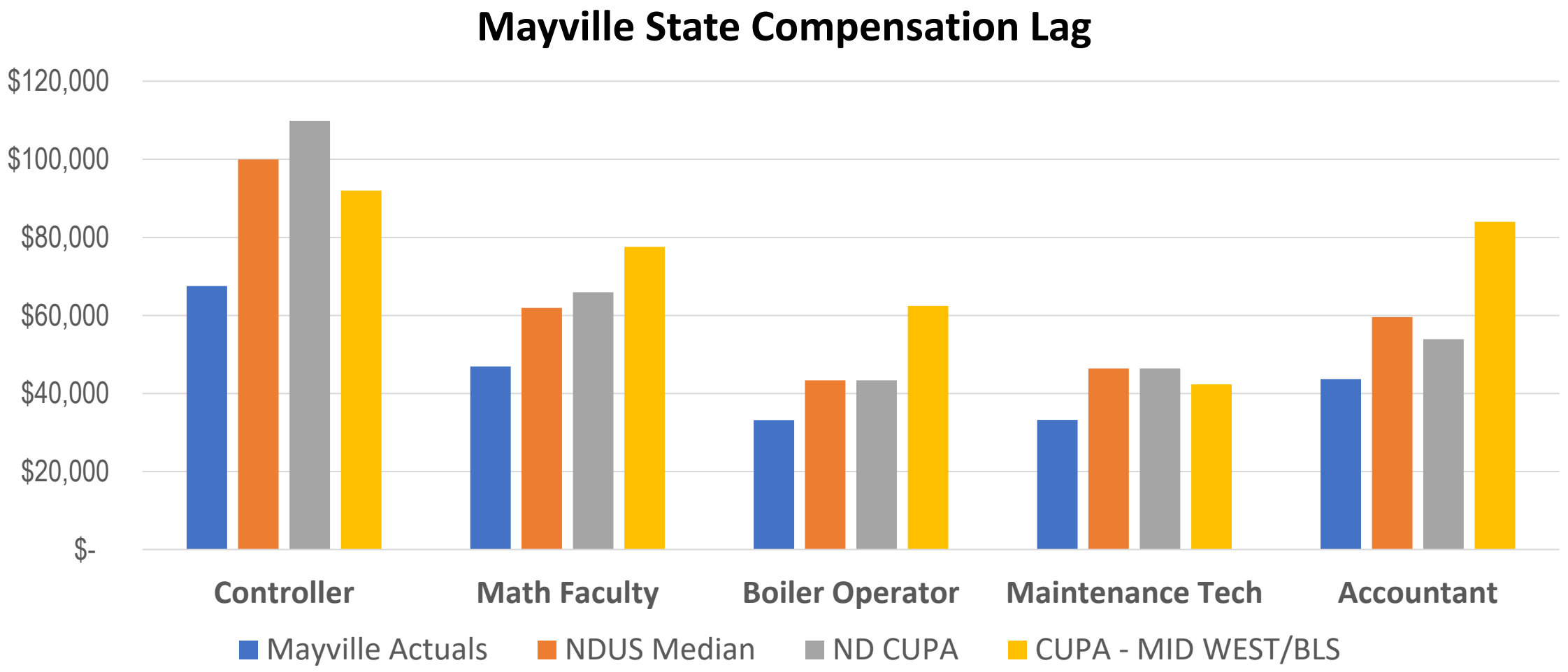

## North Dakota University System

**Human Resource Measures 2011-2022, Summary**

| $55,160 | 12,499 | 8,611.10 |
|---|---|---|
| 2022 Median Annual Pay | 2022 Headcount | 2022 FTE |



# Retention and Attraction Challenges



# Resulting Retention Impacts

Mayville State University

NDUS

The pay equity gap results in a turnover rate that is more than double the NDUS median for STAFF and FACULTY.

Closing this gap is second in priority only to renovating Old Main at Mayville.

MAYVILLE STATE UNIVERSITY

# 2023-25 Appropriation Funding Request

## Comparison of 2021-23 Base Budget to 2023-25 SBHE Request and Executive Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| Campus Operations | $ 50,603,276 | $ 1,208,580 | $ 51,811,856 | $ 54,664,638 | $ 4,061,362 | $ 2,852,782 |
| Capital Assets | $ 358,992 | $ 49,970,100 | $ 50,329,092 | $ 4,138,092 | $ 3,779,100 | $ (46,191,000) |
| **Total Appropriation** | **$ 50,962,268** | **$ 51,178,680** | **$ 102,140,948** | **$ 58,802,730** | **$ 7,840,462** | **$ (43,338,218)** |
| General Fund | $ 18,679,828 | $ 51,053,571 | $ 69,733,399 | $ 20,691,490 | $ 2,011,662 | $ (49,041,909) |
| Special Funds | $ 32,282,440 | $ 125,109 | $ 32,407,549 | $ 38,111,240 | $ 5,828,800 | $ 5,703,691 |
| **Total Funding Sources** | **$ 50,962,268** | **$ 51,178,680** | **$ 102,140,948** | **$ 58,802,730** | **$ 7,840,462** | **$ (43,338,218)** |
| **FTE** | **230.35** | **-3.43** | **226.92** | **226.92** | **-3.43** | **0** |

MAYVILLE STATE UNIVERSITY

# Additional Requests to Executive Budget

## Itemized Listing of Change Requests to Executive Budget

| | 2021-23 Base Level | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Additional request to Executive Recommendation | Total Appropriations requested | |
|---|---|---|---|---|---|---|
| Campus Operations | $ 50,603,276 | $ 51,811,856 | $ 54,664,638 | | $ 54,664,638 | |
| Tuition portion of 6/4% | | | | $ 530,062 | $ 530,062 | *Would require **7.5%** tuition increase |
| Tuition portion of Health Insurance increase | | | | $ 299,961 | $ 299,961 | |
| Tuition portion of Pay Equity | | | | $ 191,047 | $ 191,047 | |
| SBHE/NDUS Operational 7.5% cost increase | | | | $ 1,588,735 | $ 1,588,735 | |
| Capital Assets | $ 358,992 | $ 50,329,092 | $ 4,138,092 | $ 46,191,000 | $ 50,329,092 | *Remaining capital request for Old Main Renovation funding |
| **Total Appropriation** | **$ 50,962,268** | **$ 102,140,948** | **$ 58,802,730** | **$ 48,800,805** | **$ 107,603,535** | |
| General Fund | $ 18,679,828 | $ 69,733,399 | $ 20,691,490 | $ 48,800,805 | $ 69,492,295 | |
| Special Funds | $ 32,282,440 | $ 32,407,549 | $ 38,111,240 | $ - | $ 38,111,240 | |
| **Total Funding Sources** | **$ 50,962,268** | **$ 102,140,948** | **$ 58,802,730** | **$ 48,800,805** | **$ 107,603,535** | |

# Current Impact of Real Cost Increases

| | 2022 | 2023 | Price increase |
|---|---|---|---|
| Scrambled egg mix | $ 32 | $ 45 | 39% |
| Tater tots case | $ 29 | $ 59 | 106% |
| Crinkle cut fries | $ 42 | $ 68 | 62% |
| Contractor - HVAC | $ 65 | $ 90 | 38% |
| Contractor - Excavation | $ 100 | $ 130 | 30% |
| Utilities | $ 556,443 | $ 667,252 | 20% |

# Legislative Bill Draft Impacts

## Positive Legislative impacts

- **HB 1033: Challenge Grant funding –** Continue funding the highly impactful Challenge Grant.
- **HB 1034: Increased funding for Tiers/Capital and Change Tier Funding for Tiers I and III from 2:1 and 1:1** – Mayville has been unable to utilize all of Tier I and none of Tier II and III for years. Changing this matching formula will make this funding "more affordable" for our campus. This, in conjunction with the change in matching, will make a significant impact on our campus for deferred maintenance and capital projects.
- **Construction Inflation Adjustment Fund –** this can mitigate the impact of increased costs of construction mid-project.
- **Creation of a Higher Ed Stabilization Fund similar to K-12 –** to aid in mitigating the impact of ebbs and flows in year-to-year operations.

## Unfunded Legislative draft impact

- **HB 1039:** Interim Retirement Committee NDPERS sunsetting the defined benefit plan – The unfunded liability that this will assess on our campus results in an approximate $230k-plus annual burden on our campus. To put this in perspective, we struggle to cash match the Tier I funding that is a similar amount. We ask that the state consider funding the liability in whole at this time to relieve a measurable ongoing burden to the campuses.

# Economic Impact to State and Local Community

DATA FROM FY21 NDUS ECONOMIC CONTRIBUTION REPORT RELEASED 2022

**$62.4M**

Total economic Contribution

**$24.7M**

Direct economic contribution from MSU operations

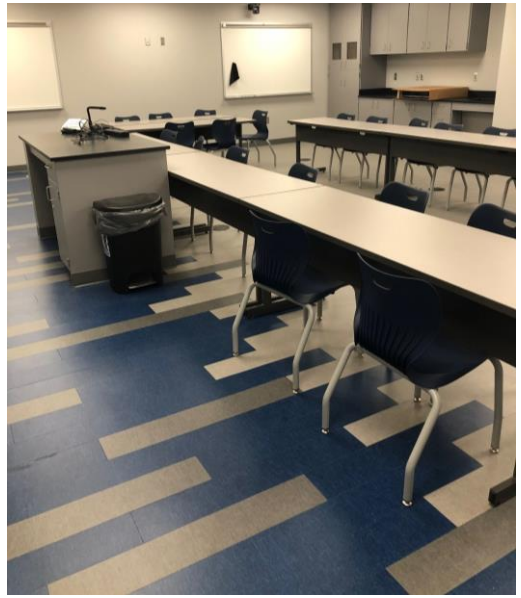
**$20.7M**

Total direct and secondary impact of student spending in Mayville area

Mayville State students work part-time in the surrounding communities. For example: Crystal Sugar, SRS Commodities, Kelley Bean, Casey's General Store, Cenex Convenience Stores, local eateries, local farms. Many stay in the area after graduation.

# Reduced $1.4M of deferred maintenance and repurposed space

- 2021 A boiler replacement project in the Campus Center. 60+-year-old electric boilers were replaced to improve ventilation and controls within the building. The project also included repair/replacement of air handling units ($660,000).
- 2021 Replacement of Library and Campus Center roofing ($94,000).
- 2022 Addition of natural gas heating plant ($1,600,000).
- 2022 New home for Campus Health. The Classroom Building lounge and auditorium storage space has been renovated to provide a new, more appropriate space to serve students ($150,000).
- 2022 New science classroom and lab space. Outdated IVN classrooms and library bookshelf space has been repurposed to provide an additional classroom and adjacent research lab ($290,000).
- 2023 Security card access and doors have been updated in several campus locations ($150,000).
- 2023 Pool filter replacement ($50,000).



ABOVE: Unused space renovated to provide centrally-located Campus Health office.

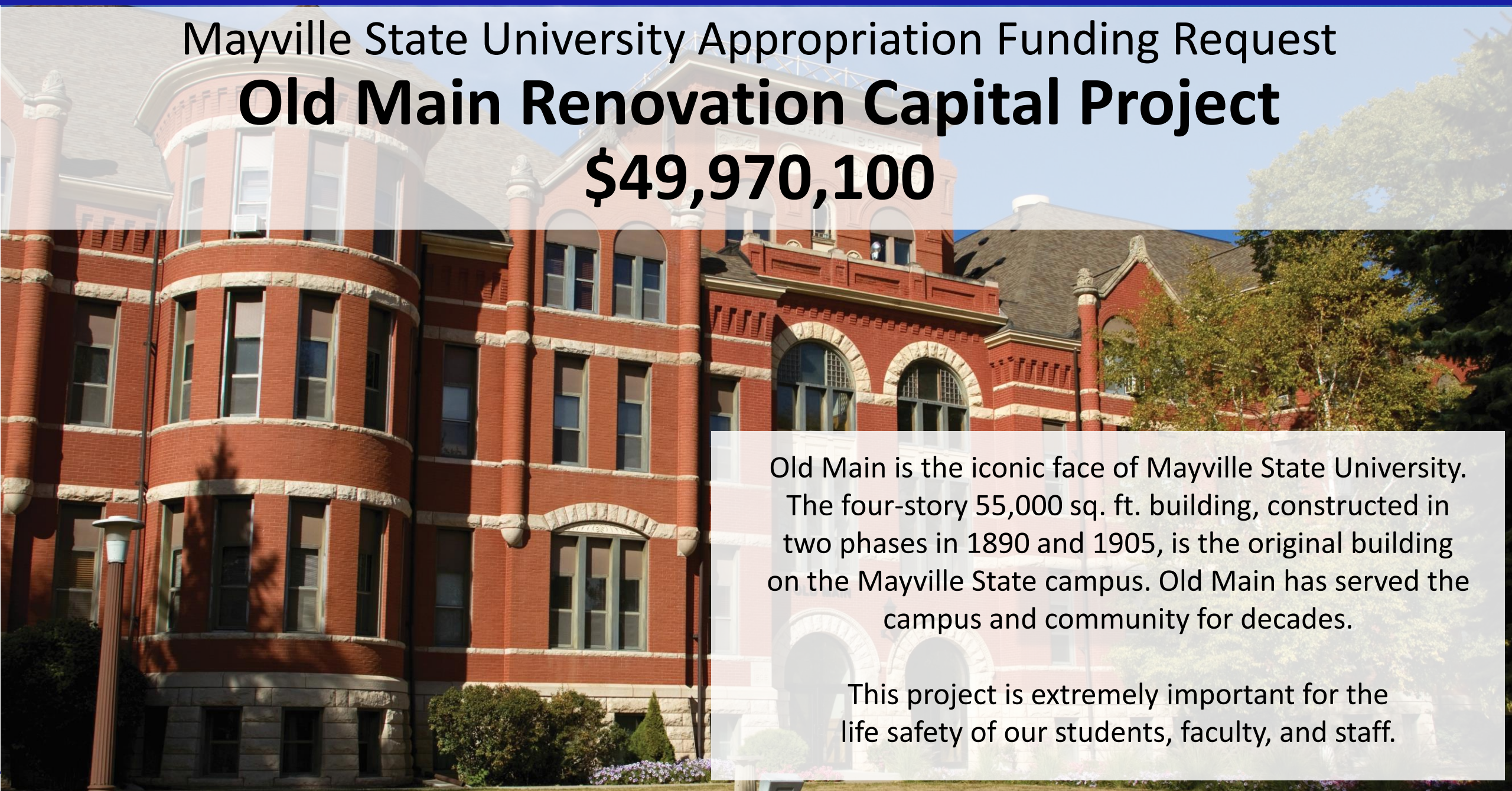
LEFT: Outdated areas repurposed for new science lab and classroom purposes.

# #1 Priority of North Dakota University System

Mayville State University Appropriation Funding Request

# Old Main Renovation Capital Project

# $49,970,100

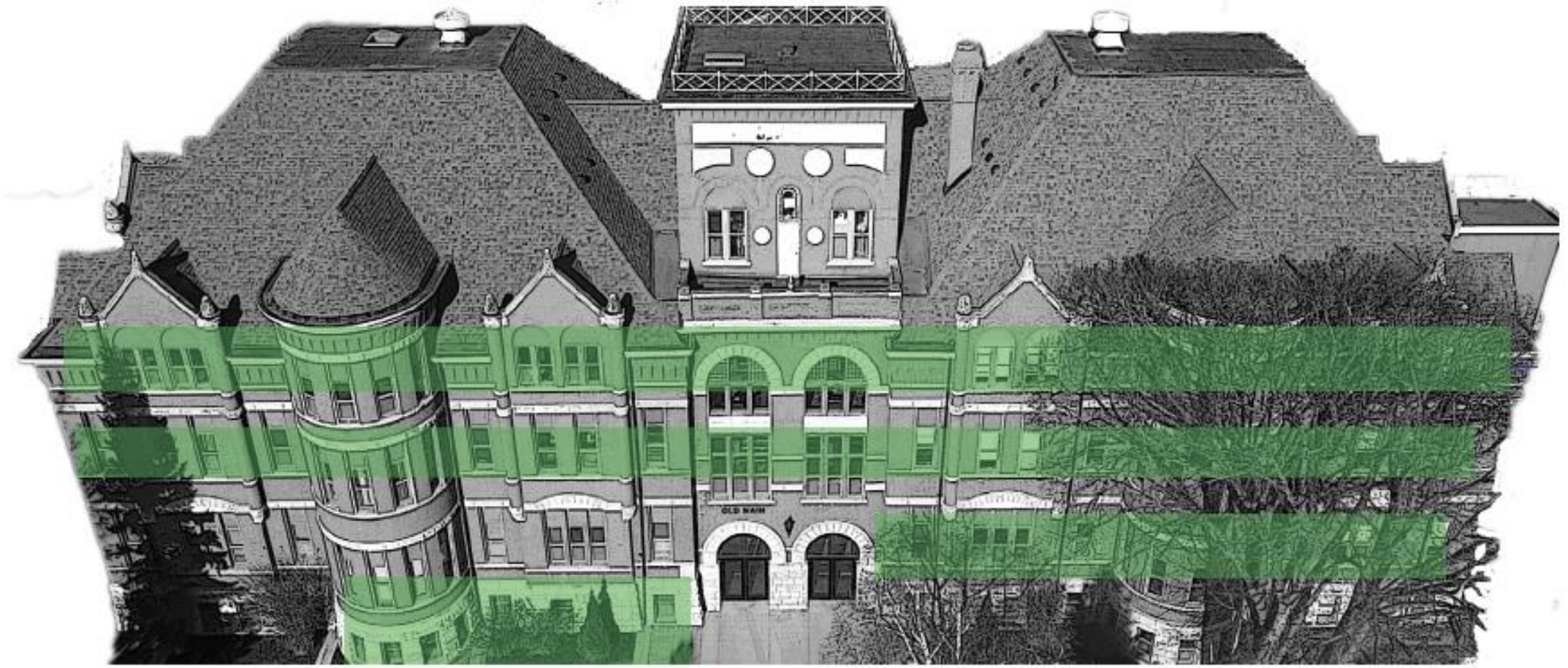


Old Main is the iconic face of Mayville State University. The four-story 55,000 sq. ft. building, constructed in two phases in 1890 and 1905, is the original building on the Mayville State campus. Old Main has served the campus and community for decades.

This project is extremely important for the life safety of our students, faculty, and staff.

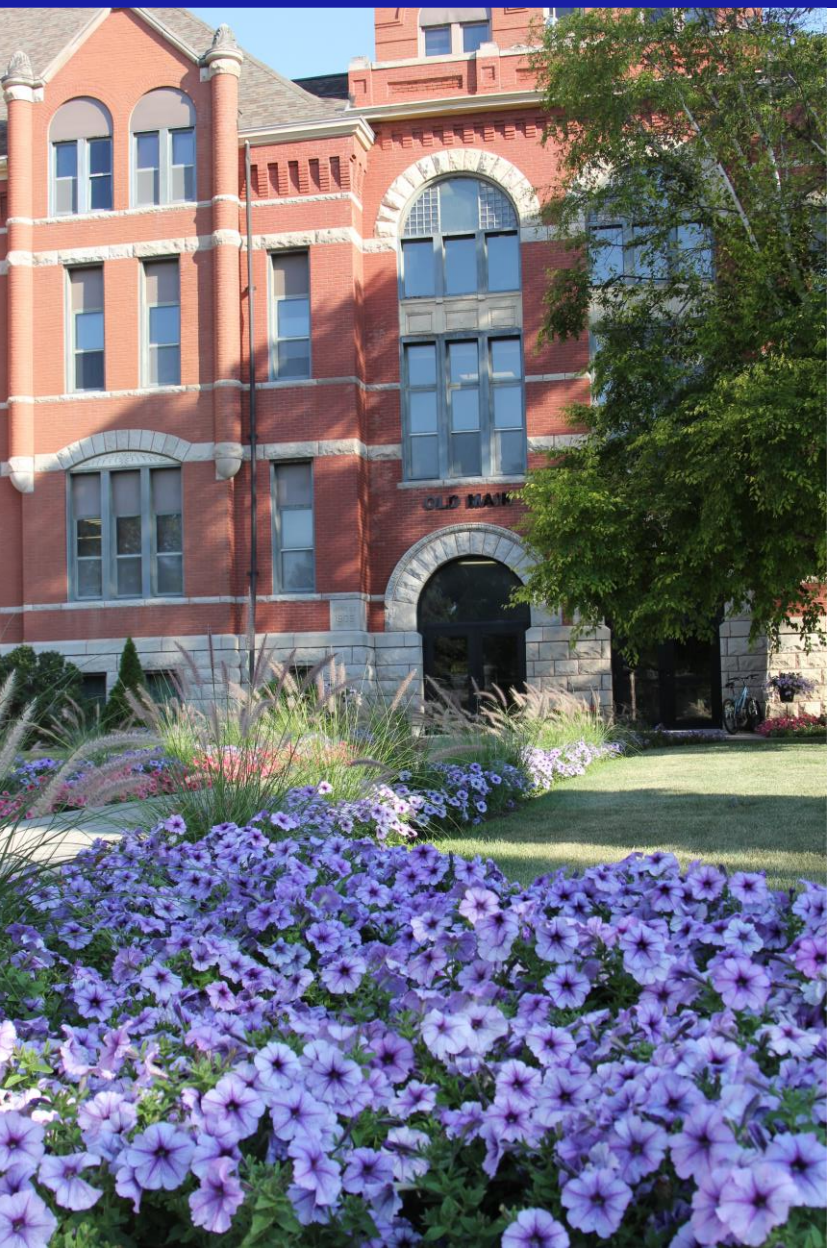
# Instructional and Academic Needs

## Old Main is 83% Instructional and Academic Space – 4 Floors



OLD MAIN RENOVATION CAPITAL PROJECT FUNDING REQUEST

# Beginning Timeline and Budget Details



## Timeline:

Project design/construction will take approximately 36 months, with construction completion estimated for June 2026.

## Budget:

| | |
|---|---|
| Planning, Design, Testing | $ 3,779,100 |
| Construction, Building Renovation | 37,315,000 |
| Hazardous Material Abatement | 1,000,000 |
| Furniture, Fixtures, Equipment | 5,876,000 |
| Other (Temporary Facilities/Relocation Costs) | 2,000,000 |
| **Total Budget** | **$ 49,970,100** |

# Life Safety Benefits

- Address life safety concerns including replacing fire alarms, adding emergency notification system, and new or enhanced automatic fire suppression system.
- Reconfigure interior stairway access to address fire safety concerns.
- Repair foundation deterioration and cracking.
- Gut and replace obsolete electrical power and lighting systems.
- Address ADA compliance with accessible restrooms, elevator to all levels, staircase for egress from theatre, and housing for new mechanical systems and equipment.
- Address renovation of theatre.

Challenges with accessibility.

Life safety issues with side-by-side open stairwells.

# Old Main Renovation Capital Project Funding Request

# Deferred Maintenance

- Address the most significant deferred maintenance on campus.
- Gut and replace inadequate HVAC system.
- Replace antiquated plumbing system.
- Update and seal the building exterior.
- Reorganize administrative/instructional areas to meet current/future needs.
- Provide new technology, data, and communication systems, and infrastructure.
- Engineering firm conducted an initial assessment and determined that the foundation is viable.

Building a new structure is estimated to increase project cost by $150 per sq. ft.

Foundation deterioration and cracking.

Our facilities crew trapped 12 live bats in classroom space over a 2-week period during the fall semester.

# Old Main Renovation Capital Project Funding Request

# Water Damage on January 5, 2023

Damage January 5, 2023 in a classroom that houses the Dakota Nursing Program on the third floor of Old Main.

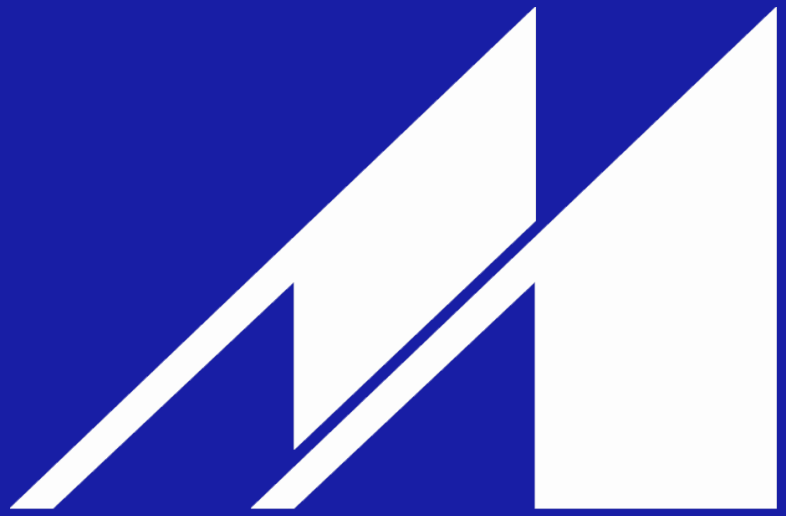
# Hear from Our Students

**Sadie Mathews**
Elementary Education Major
Hometown: Horace, ND

**Ezera Wuori**
Elementary Education Major
Hometown: Rolla, ND

# Summary

1. Support of the Old Main Renovation capital project $49,970,100.
2. Support of employee compensation equity and retention.
3. Support stabilization of funding stream for higher education.



# Mayville State University

*the school of personal service*

MayvilleState.edu

925 10th Avenue East
Suite 1
West Fargo, ND 58078
**P:** 701.282.4692
**F:** 701.282.4530

moore engineering, inc.

January 10, 2023

Dear North Dakota Legislators,

As president of Moore Engineering, Inc. and a member of the NDSU College of Engineering advisory board, I strongly urge you to consider fully funding a new engineering building on the NDSU campus.

NDSU has a vision for STEM education that fills a vital role in the economic success of our state and region. Engineering graduates with an entrepreneurial mindset are extremely valuable in a modern competitive environment.

NDSU's plans for a new building and revamped programming will bring its students the necessary tools and resources that will create graduates who are technically proficient, creative thinkers, and ready to produce the next generations of economic value for North Dakota. With its plans for modern lab space, collaborative work areas, hands-on fabrication tools and virtual reality studios, NDSU will be poised to lead the region in engineering education.

We are particularly encouraged by the Center for Engineering Entrepreneurship and Innovation, which will train students in the intricacies of turning ideas into marketable products and services.

Moore Engineering, Inc. was founded in 1960 and currently employs over 170 people in over a dozen offices in North Dakota and Minnesota. We are employee owned and growing. We intimately understand the value of properly trained employees ready to be productive on day one in a modern, innovative, competitive industry.

Help our state produce the types of graduates that will propel our economy to new heights by funding a world-class educational facility that will deliver the experience our students are seeking.

Thank you for your consideration and for your service to the citizens of North Dakota. Let me know if I can answer any questions or provide additional information.

Sincerely,

Kevin Bucholz, PE
President

HOUSTON engineering, inc.

Fargo Office | P | 701.237.5065
1401 21st Avenue North | Fargo, ND 58102

January 11, 2023

House Appropriations - Education and Environment Division
State Capitol
600 East Boulevard Avenue
Bismarck, ND 58505

**Subject: Letter in Support of NDSU Engineering Program**

Members of the Committee:

I am writing this letter on behalf of Houston Engineering, Inc. (HEI), a Fargo-based multidisciplinary engineering firm, to provide our support of North Dakota State University's efforts to improve and expand upon their Engineering program by constructing a new engineering facility. I am a North Dakota native and graduate of the NDSU Civil Engineering program and currently serve as the President and CEO of HEI. We are a growing company that provides engineering, surveying, environmental, GIS, and planning services throughout the Upper Midwest. We currently employ more than 160 engineers, scientists, technicians, and other support staff in the state of North Dakota. We rely heavily on the NDSU Engineering program as a source for our civil engineering staff. These students in turn become the future generation of HEI employees and leadership, as well as involved members of the communities they serve.

In recent years, it has been increasingly difficult to attract the number of employees commensurate with our project and growth goals in a time when investment in infrastructure is high and recognized as a critical need in our state and our country. We must work twice as hard and cast an even wider net to attract enough employees to keep up with our demand, and we are not alone in our search for talented employees.

Investment in facilities is critical to maintaining a high quality and competitive Engineering program at NDSU and helping it attract the highest quality students. In turn, this helps HEI meet our hiring needs and allows us to continue our work on critical infrastructure projects throughout our State and Region. As such, I ask that you support funding for this critical facility at NDSU. Thank you for the opportunity to express my views in support of this project.

Sincerely,

HOUSTON ENGINEERING, INC.

_____

Gregg Thielman
President | CEO
Direct: 701.499.2080
cgthielman@houstoneng.com

# NDSU Civil, Construction and Environmental Engineering
# CEE Industrial Advisory Board

January 10, 2023

House Appropriations Education and Environment Subcommittee
Representative Mike Nathe, Chair

**Re: Letter of Support for NDSU Engineering**

Dear Mr. Nathe and Committee Members:

We are writing in support of the funding request for a new engineering building at NDSU. The Industrial Advisory Board for the NDSU Civil, Construction, and Environmental Engineering Department is comprised of professionals in the industry who graduated from NDSU. The mission of the Advisory Board is to is to provide support for the Department of Civil and Environmental Engineering (CEE) to help improve the quality of the academic, research and outreach programs.

All members of the Advisory Board have and continue to hire engineering graduates from NDSU. The facilities at NDSU have been a consistent point of concern by the national accreditation board for the college, staff, and students. The existing facilities are a limitation for attracting new students. The industry needs more talented engineers. We need the NDSU College of Engineering to have the facilities necessary to meet the needs of the state and the industry.

Thank you for your service to the state of North Dakota. We ask for your support for the NDSU College of Engineering.

CEE Industrial Advisory Board Members

Nick Gludt, Moore Engineering Inc.

Eric Dodds, AE2S

April Walker, Barr

Brian King, HDR Inc.

Kris Bakkegard, Metro Flood Diversion Authority

Kurt Sandman, Sandman Structural Engineers

Cathy Weber, Black & Veatch

Lance Meyer, City of Minot

John Horn, Kimley-Horn

Travis Weber, WSB

Jeremy McLaughlin, Houston Engineering Inc.

Brent Christian, RPS Group

Haley Falconer, City of Boise

Troy Hall, City of Fargo

www.ae2s.com

January 11, 2023

House Appropriations Education and Environment Subcommittee
Representative Mike Nathe, Chair

**Re: Letter of Support for NDSU Engineering**

Dear Mr. Nathe and Committee Members:

I am writing in support of the funding request for a new engineering building at NDSU. I am a graduate of NDSU, earning both a BS and MS in Civil Engineering in 1999 and 2002, respectively. I have served on the industrial advisory board for the NDSU Civil, Construction, and Environmental Engineering Department for over 10 years. I have also worked for AE2S for 20 years where I have continued to guest lecture at NDSU and hire many of the great students being educated from the engineering department. I have firsthand understanding of the facilities at NDSU and the need to invest in the facilities for the needs of the industry and our state.

At AE2S, we are a specialized civil and environmental engineering firm with office across the state. We have over 320 total employees and over 170 engineers, many of which are NDSU graduates. In addition, we currently have over 40 open engineering positions that we are looking to fill. Having NDSU, a historically premier engineering school in our backyard has been critical to our growth and success.

Thank you for your service to the state of North Dakota. I ask for your support for the NDSU engineering college.

**AE2S**

Eric C. Dodds
AE2S Program Manager

**Daniel Hanson** - City Engineer
**Jerry Wallace** – Assistant City Engineer
**Andrew Wrucke** – Assistant City Engineer
**Kayla Volness** – Engineering Office Manager

**Engineering Department**
800 4th Ave E
West Fargo, ND 58078
701-515-5100
www.westfargond.gov

January 11, 2023

**Re: HB 1023**

Honorable members of the House Appropriations Education and Environment Division Subcommittee:

The purpose of writing this letter is to provide support for the North Dakota State University funding request contained in House Bill 1023, which includes resources for an engineering facility. The City of West Fargo is proud to employ engineering staff that are NDSU Alumni. I personally graduated from NDSU in 1997.

Demand for engineers in our state is high and NDSU has a vital role in meeting the needs of our industry. The University has a solid reputation of producing leaders in their fields. It is important that continued investments be made to allow NDSU to remain a leader in the education of the future leaders of the engineering profession.

Across our engineering industry there is a lack of engineers in the work force. The City of West Fargo has attempted numerous times to hire a stormwater engineer as well as an Assistant City Engineer without success.

NDSU's ability to attract and educate students in the dynamic fields of engineering, with constantly changing technologies, is dependent on continued investments in infrastructure. I highly encourage this legislature to make a sound investment in the continued advancement of our State by supporting NDSU's request and funding an engineering facility for its campus.

Respectfully,

Dan Hanson

Daniel R. Hanson, PE
West Fargo City Engineer

**Doosan Bobcat**
250 East Beaton Dr.
West Fargo, ND 58078

January 11, 2023

House Appropriations – Education and Environment Division
**Re: New Engineering Facility at North Dakota State University**

To whom it may concern:

Headquartered in West Fargo, North Dakota, Doosan Bobcat North America is the state's largest manufacturer and a major employer with more than 3,500 people employed at our facilities in Bismarck, Gwinner, Fargo, West Fargo and Wahpeton. We continue to grow our business – but this growth cannot continue without the next generation of engineers.

Like other manufacturers and employers in the state, recruiting, growing and retaining a quality, skilled workforce is an ongoing challenge. According to North Dakota State University (NDSU), 5,800 job openings in North Dakota last year required engineering degrees – but only 512 engineering and computer science students graduated from North Dakota's universities.

Too many engineering jobs are unfilled, and it does not have to be this way. Of the pool of North Dakota natives who graduate from NDSU, 80 percent stay for their first job – meaning there is an appetite among young professionals to build their lives here and impact the state economy.

Doosan Bobcat has hired hundreds of college students through our competitive intern and co-op program for more than 25 years. Each student receives practical work experience in various disciplines, including electrical, mechanical, industrial, manufacturing and software engineering. Today, we employ more than 850 engineers and innovation team members in North America.

As a company built on decades of engineering advancements, Doosan Bobcat is committed to investing in and developing the talent pool that will shape the next century of innovation.

And innovation only occurs in spaces equipped with the necessary workspace and technology. NDSU engineering programs are decentralized, and facilities are overcrowded. This isn't subjective: More than a decade ago, accreditors pointed out that these issues could limit the quality and capacity of NDSU's engineering programs. Little has changed since then.

In order for Bobcat and other regional companies to remain competitive, we need the best and brightest engineers working across our sites. To that end, facilities and learning environments are important to that cause. If North Dakota is to remain the leader in technology development in our region, we need to proactively educate our students at the latest facilities. Today NDSU appears to be falling behind in this area.

As the North Dakota Legislature seeks to ensure that our state stays competitive and attracts top talent, we respectfully encourage you to prioritize funding for NDSU's Center for Engineering Entrepreneurship and Innovation. As technologies move toward AI, cyber security, software

**Doosan Bobcat**
250 East Beaton Dr.
West Fargo, ND 58078

development, autonomy, and electrification, we will need facilities that can support educating the future generations of North Dakota engineers, and therefore endorse the State of North Dakota's support for updated engineering facilities at NDSU.

Students may end up working for Doosan Bobcat, but even if they stay and put their talents to work at other companies in the state or region, it's a benefit to our communities in North Dakota.

To ensure all businesses have the workforce we need to grow and thrive, it is important to invest in the next generation of engineers and innovators who are needed to support high-growth industries that promise to invigorate businesses and communities statewide.

That's why in 2015 we donated $3 million to NDSU to fund a STEM-related scholarship program. Our gift was matched at 50% by the North Dakota Higher Education Challenge Grant Fund for a combined gift of $4.5 million. As of fall 2021, the endowment will distribute approximately $180,000 in scholarships every year in perpetuity, benefiting countless students and their families.

At Doosan Bobcat, we appreciated the funding appropriated to the Challenge Grant Fund to support the next generation, and we encourage you to build upon these efforts during this session.

Thank you for your consideration and your service on behalf of our state.

Sincerely,

**Joel Honeyman**

Vice President of Global Innovation

Doosan Bobcat North America

925 10th Avenue East
Suite 1
West Fargo, ND 58078
**P:** 701.282.4692
**F:** 701.282.4530

moore engineering, inc.

January 10, 2023

Dear North Dakota Legislators,

As president of Moore Engineering, Inc. and a member of the NDSU College of Engineering advisory board, I strongly urge you to consider fully funding a new engineering building on the NDSU campus.

NDSU has a vision for STEM education that fills a vital role in the economic success of our state and region. Engineering graduates with an entrepreneurial mindset are extremely valuable in a modern competitive environment.

NDSU's plans for a new building and revamped programming will bring its students the necessary tools and resources that will create graduates who are technically proficient, creative thinkers, and ready to produce the next generations of economic value for North Dakota. With its plans for modern lab space, collaborative work areas, hands-on fabrication tools and virtual reality studios, NDSU will be poised to lead the region in engineering education.

We are particularly encouraged by the Center for Engineering Entrepreneurship and Innovation, which will train students in the intricacies of turning ideas into marketable products and services.

Moore Engineering, Inc. was founded in 1960 and currently employs over 170 people in over a dozen offices in North Dakota and Minnesota. We are employee owned and growing. We intimately understand the value of properly trained employees ready to be productive on day one in a modern, innovative, competitive industry.

Help our state produce the types of graduates that will propel our economy to new heights by funding a world-class educational facility that will deliver the experience our students are seeking.

Thank you for your consideration and for your service to the citizens of North Dakota. Let me know if I can answer any questions or provide additional information.

Sincerely,

Kevin Bucholz, PE
President

THE CHAMBER
FARGO MOORHEAD WEST FARGO

**FMWF Support for HB 1003 – NDSU Budget**

January 11th, 2023

Chairman Nathe and members of the House Appropriations - Education and Environment Division Committee:

For the record, my name is Shannon Full and I have the pleasure of serving as the President/ CEO for the Fargo Moorhead West Fargo (FMWF) Chamber of Commerce. The Chamber's mission is to be a catalyst for economic growth and prosperity for businesses, members, and the greater community. On behalf of our over 1,900 members, I respectfully offer testimony in support of House Bill 1003, specifically as it relates to the budget of North Dakota State University (NDSU).

As you may know, NDSU provides the Fargo region and state of North Dakota with significant economic and community impact. NDSU serves as one of our region's strongest assets in the recruitment of individuals. The Chamber has been working with our higher education partners to establish creative solutions to better retain these students. Currently, 80% of NDSU graduates from North Dakota stay in the state for their first job, and 40% of NDSU graduates from Minnesota stay in North Dakota for their first job. So truly, NDSU is a catalyst for regional workforce attraction, creating pathways to workforce. In addition to the attraction of students, NDSU, as an R1 research institution, attracts world-class researchers. Educational Institutions, like NDSU, provide North Dakota with a competitive advantage in the demand for workforce.

In order to attract workforce, we must provide institutions with quality-of-life assets and placemaking infrastructure, such as state-of-the-art facilities. For example, providing students and faculty with a world-class engineering facility. This specific capital project has been on NDSU's list of priorities since 2014 as the existing facilities are inadequate to meet the current and future workforce demands of the state. The proposed facility offers students a modernized, applicable, and hands-on educational experience, which in turn attracts high-quality students. Currently, there is an increased demand across North Dakota for engineering graduates with 5,800 North Dakota jobs requiring an engineering degree. A number of our members throughout the engineering industry have provided letters of support, on behalf of this project.

In closing, I would like to take a moment to thank Dr. Cook for his courageous leadership in moving this institution forward. Our business and community leaders have been extremely impressed early on with Dr. Cook's attentiveness to the state's workforce demands and his willingness to make tough decisions. I confidently believe that under Dr. Cook's steadfast leadership, the future of NDSU is bright and headed in the right direction, and as such, I'd respectfully ask for the state's continued support in the growth and vibrancy of North Dakota State University.

On behalf of our members, I would like to thank the committee for their time and consideration this morning.

Respectfully,

Shannon Full
President/CEO
FMWF Chamber of Commerce
sfull@fmwfchamber.com

# North Dakota Veterinary Medical Association

**P.O. Box 1231**
**Bismarck, ND 58502-1231**
**T | 701.221.7740 F | 701.751.4451**
**E | execdir@ndvma.com Website: www.ndvma.com**


January 11, 2023

Chairman Nathe and members of the House Appropriations Committee:

On behalf of the North Dakota Veterinary Medical Association (NDVMA) I am asking for **support of HB 1003**; specifically, funding for the Professional Student Exchange Program (PSEP). PSEP funding is vital for veterinary medicine for the following reasons:

- **PSEP provides a level playing field for North Dakota students to have access to veterinary medicine education programs.**
    - 85% of North Dakota veterinary medicine students utilize PSEP; without access to PSEP the number of ND students becoming veterinarians would be compromised (PSEP supports up to 12 veterinary medicine students/year).

- **PSEP provides vital funding to help offset some of the non-resident tuition costs**. Most of North Dakota's veterinary medicine students are charged twice the amount for tuition costs compared to tuition costs for residents of a respective State.
    - I.e., non-resident tuition costs $58,777/year vs. resident tuition costs $27,879/year
    - PSEP provides financial support ranging from 25% to 50% of the "non-resident" tuition costs for a ND veterinary medicine student.

- **The debt-to-income ratio is increasing steadily each year for veterinary medicine graduates. PSEP funding provides viability for students to pursue careers as veterinarians.**
    - On average, student debt for veterinary medicine students has increased each year by $3,199 due to rising tuition fees. New graduate salaries are not increasing proportionally.
    - In 2021, 84% of veterinary medicine new graduates had a mean debt of $186,430.
    - Salaries for veterinarians are disproportionate across work sectors with the highest average salary at $103,881 (companion animal practice) to the lowest average salary at $54,539 (equine practice). The debt-to-income ratio continues to be of serious concern.

Thank you for your past support of PSEP funding for North Dakota veterinary medicine students. The NDVMA asks for your continued support of PSEP, as it has proven to be a valuable investment in our veterinary medicine students and is key to facilitating a veterinarian workforce for North Dakota. As costs continue to rise for ND's veterinary students, it is critical to fund PSEP to ensure veterinary medicine as a viable career option for our students and to help meet the growing need for veterinary public health services.

Sincerely,

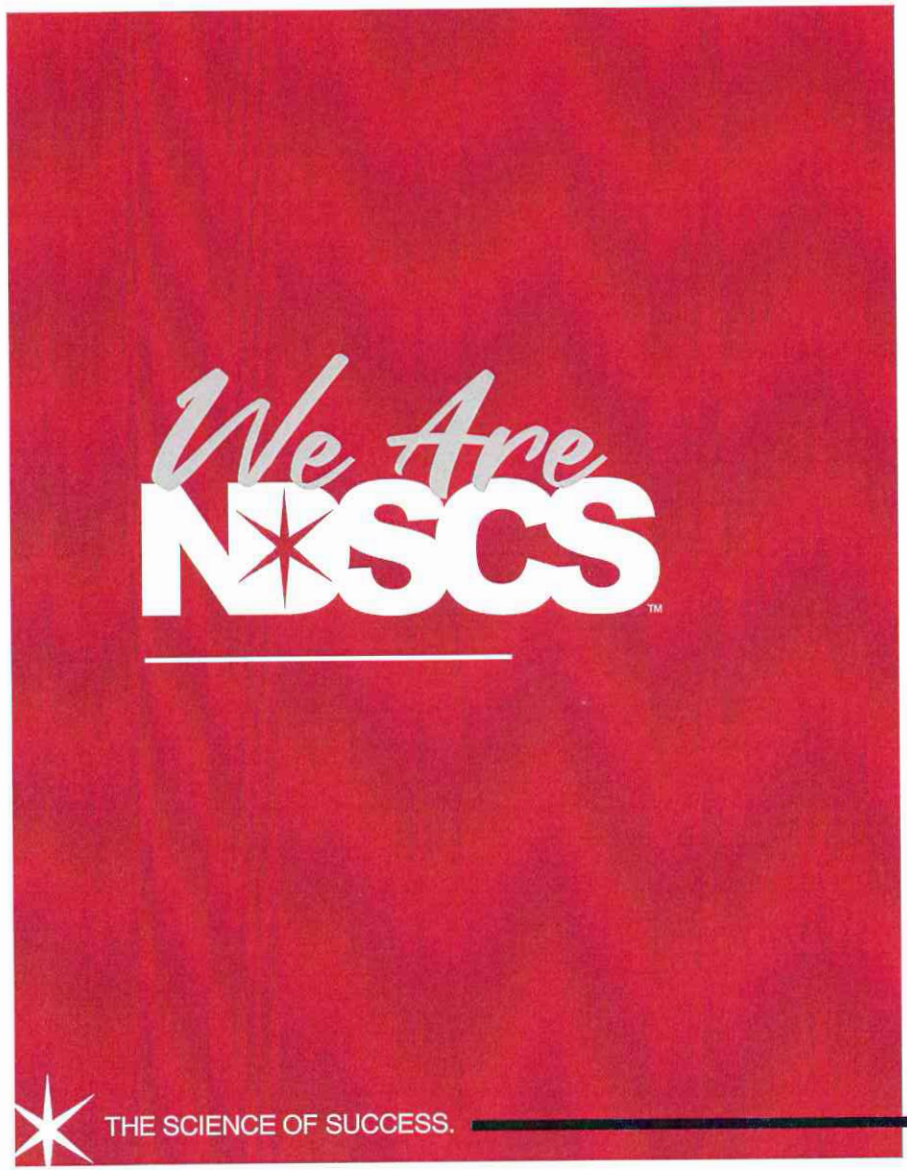
Lisa Christenson

Lisa Christenson, DVM
President of NDVMA

# House Appropriations – Education and Environment Division

68th Legislative Assembly
January 12, 2023
Dr. Rod Flanigan, President

NDSCS™




# MISSION

The North Dakota State College of Science is a comprehensive, associate degree-granting college founded on a tradition of **quality and integrity**. We deliver **learner-focused education** through a unique and evolving collegiate experience. Using **innovative delivery strategies**, NDSCS anticipates and responds to statewide and regional needs by providing access to occupational/technical programs, transfer programs and workforce training.

# LIFE VALUES

- Learning
- Integrity
- Flexibility
- Excellence

## NORTH DAKOTA CONSTITUTION

Article VIII, Section 6.1: "c. The school of science, at Wahpeton"

# NDSCS Impact

## FALL 2022 ENROLLMENT

| Total Enrollment | 2,942 |
|---|---|
| Wahpeton Based | 1428 (48.5%) |
| Fargo Based | 259 (8.8%) |
| Online Only | 197 (6.7%) |
| Dual Credit | 1058 (36.0%) |

| Enrollment by Program* | |
|---|---|
| Career & Technical Programs | 75.5% |
| Liberal Arts/Transfer | 24.5% |

*excludes non-degree students

**72%**
NORTH DAKOTA STUDENTS

**22.5%**
MINNESOTA STUDENTS

**50.8%**
OF STUDENTS LIVE ON-CAMPUS
*excludes Dual Credit and Fargo only

# NDSCS Impact

## 2022 CAREER PLACEMENT

**97%** OF 2022 NDSCS GRADUATES ARE EMPLOYED OR CONTINUING THEIR EDUCATION

**30 OF 53**
OF ND COUNTIES WERE FIRST DESTINATIONS FOR GRADUATES

**81%**
OF ND STUDENTS **STAYED** IN NORTH DAKOTA

**35%**
OF NON-ND STUDENTS **STAYED** IN NORTH DAKOTA

**$47,004**
AVERAGE ANNUAL STARTING SALARY

**$3,917**
AVERAGE BEGINNING MONTHLY SALARY

Response from 441 graduates. Information is self-reported.

# NDSCS Impact

## ACADEMICS

**90**
CAREER PATHWAYS

**35**
ASSOCIATE DEGREE OPTIONS

**8**
DIPLOMA OPTIONS

**14**
CERTIFICATE OPTIONS

**14**
ACADEMIC PROGRAMS ARE UNIQUE TO NDSCS

### ACADEMIC CLUSTERS

- Agriculture, Food and Natural Resources
- Architecture and Construction
- Business, Finance, Management and Marketing
- Education and Training
- Health Sciences
- Hospitality and Tourism
- Information Technology
- Law, Public Safety, Corrections and Security
- Liberal Arts/Transfer
- Manufacturing
- Transportation

# NDSCS Impact

## HELPING OUR STUDENTS

ND career builders
Scholarship & Loan Repayment

**$801,440**

**of $951,125 committed to currently enrolled students is for NDSCS (84%)**

| 97 | 70 | 58 |
|---|---|---|
| STUDENT MATCHES TO DATE *2018-Present* | EMPLOYERS/PARTNERS IN DATABASE | CURRENT STUDENTS |

Students generally leave debt free. Helps students in programs with high tool costs that are often a barrier.

# NDSCS Impact

HELPING OUR STUDENTS

## NDSCS Alumni Foundation

**$27+ MILLION**
NDSCS FOUNDATION ENDOWMENT

**$1.1+ MILLION**
SCHOLARSHIP DOLLARS

### Challenge Grant

- Continue to maximize Challenge Grant dollars
- Appreciate the opportunity this allows for our donors to maximize their donations to the college and to students
- Last year had $1.9 million in donations to the Challenge Grant

### Career Innovation Center

- Project continues to move forward
- Challenges with inflation and federal funding
- We support the request of the CTE group for additional funding for this project

# NDSCS Impact

FY 2021 ECONOMIC IMPACT*

Direct economic effect from NDSCS operations (both direct and secondary)

**$84.9 MILLION**

Total economic contribution from NDSCS and student expenditures

**$135 MILLION**

Total state tax revenue

**$1.3 MILLION**

**Bangsund & Hodur (2022). Economic Contribution of the North Dakota University System in 2020 and 2021. NDSU Agribusiness and Applied Economics Report.*

# Partnering For Success

## MILLIONS of $$

ENTRUSTED EQUIPMENT
COLLEGE-WIDE
FALL 2022

THE SCIENCE OF SUCCESS.

**Just a few of our partners:**

NDSCS

Butler CAT

KOMATSU

JOHN DEERE

SANFORD HEALTH
EMS Education

CASE AGRICULTURE

RDO EQUIPMENT CO.

Snap-on Industrial

North Dakota Society of Professional Land Surveyors 1979

Bell Bank
Member FDIC

RSES

TRANE

BUTLER
A BlueScope Steel Company

FANUC Robotics

CERTIFIED EDUCATION ROBOT TRAINING

Microsoft

Nodak Mutual Insurance Company

aldevron

HAAS

LINCOLN ELECTRIC

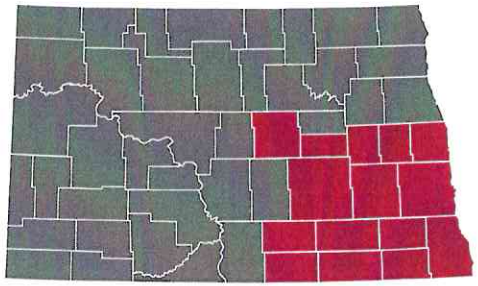
EMERSON
Process Management

CHI St. Francis Health

SITECH
SITECHDAKOTAS.COM

BRANDT Holdings

trainND
SOUTHEAST



NDSCS

# ANNUAL REPORT

2021-2022 Fiscal Year

**41,933**
Total Training Hours

**1,121**
Participants

**284**
Businesses Served

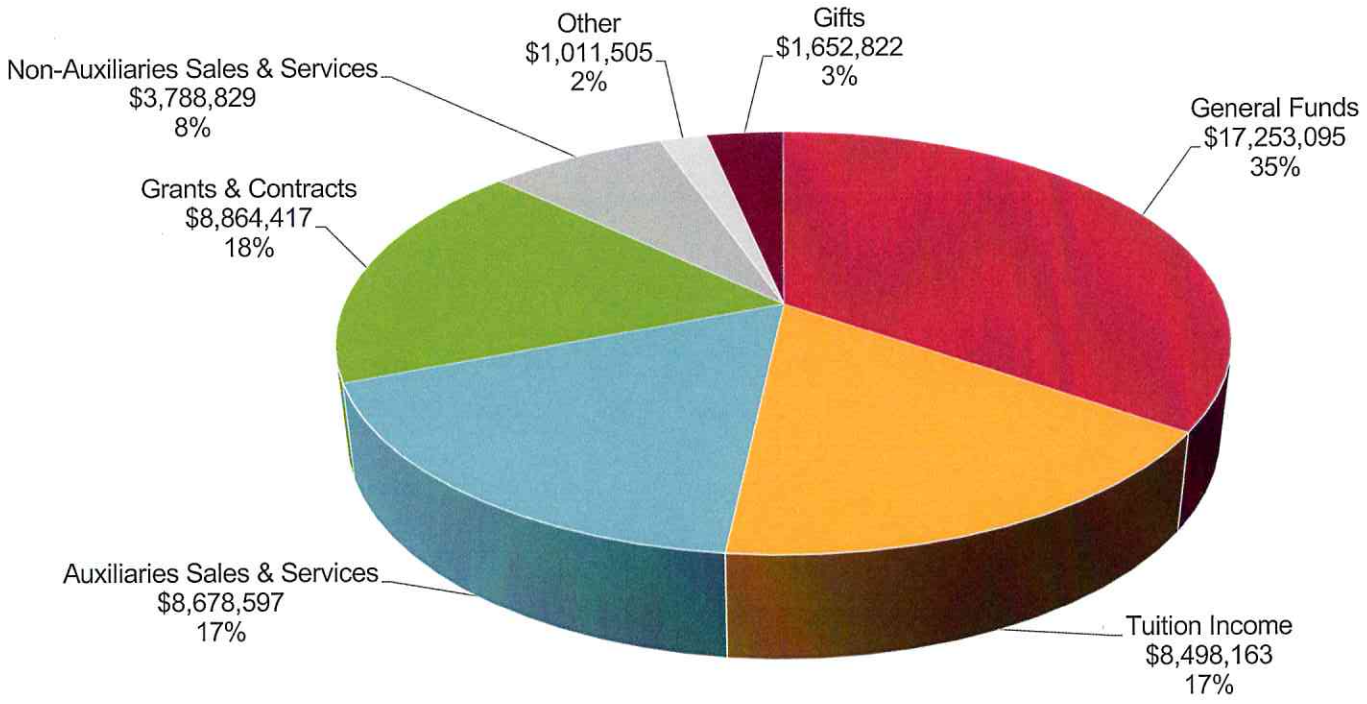
**99%**
Satisfaction Level

## BY THE NUMBERS

| FY Comparison | 2021 | 2022 |
|---|---|---|
| Businesses Served | 49 | 284 |
| Repeat Business | 13 | 165 |
| Training Events | 182 | 283 |
| Participants (unduplicated) | 600 | 1,121 |
| Registrations (duplicated) | 715 | 1,930 |
| Total Training Hours | 8,394 | 41,933 |
| Satisfaction Level | 99% | 99% |
| **Revenue Generated** | **$508,991** | **$706,246** |
| **State Grant** | **$385,480** | **$394,610** |

# NDSCS Budget

## FY22 REVENUE

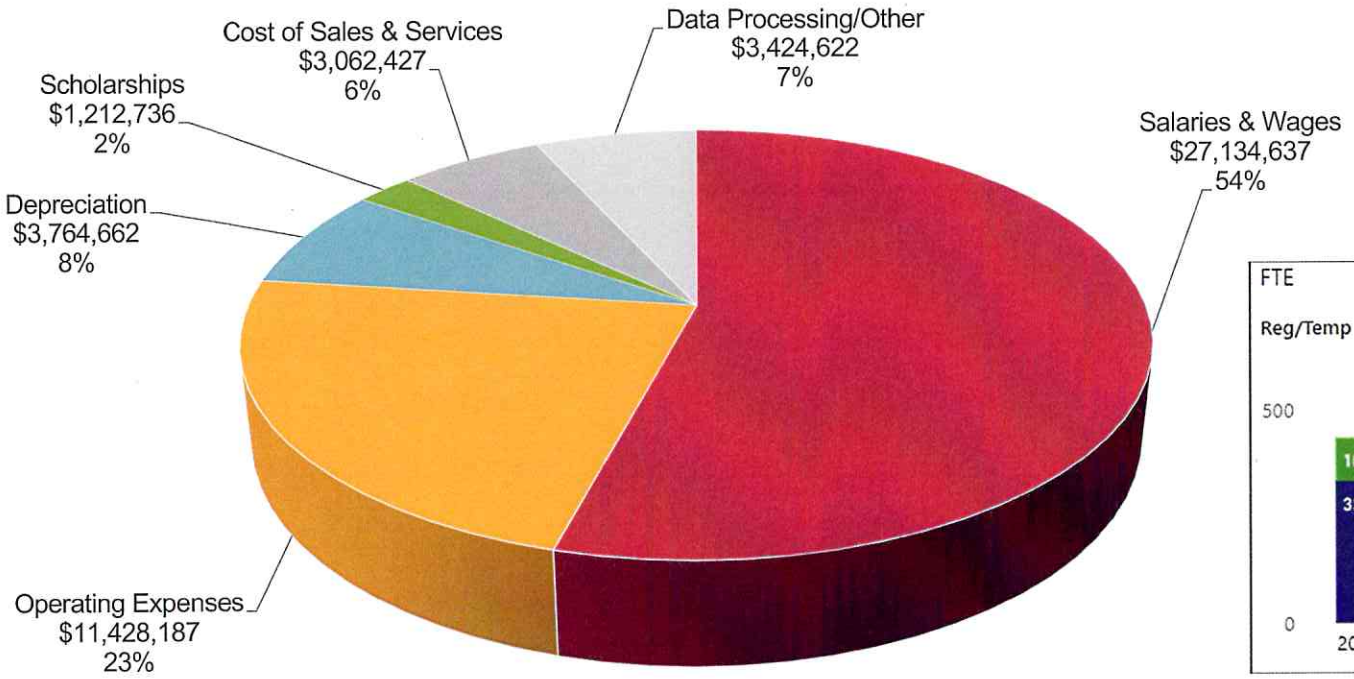


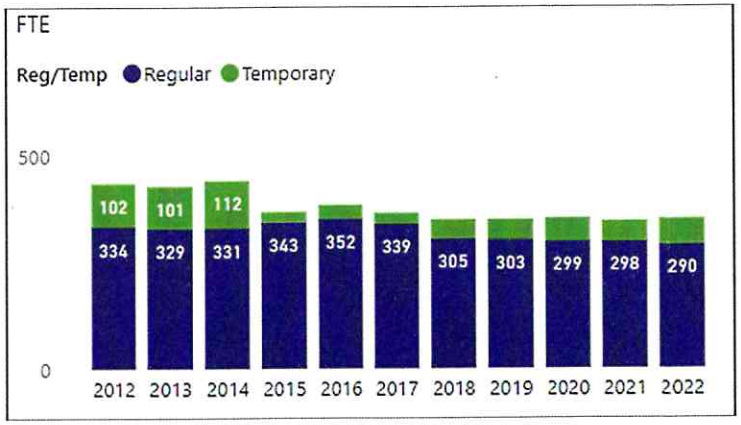

**3.8**

FY22 Composite Financial Index

# NDSCS Budget

## FY22 EXPENDITURES



# Comparison of Base Budget

| NDUS Institutions Comparison of SBHE General and Special Funds Budget Request to Executive Recommendation | North Dakota State College of Science | |
|---|---|---|
| | SBHE 2023-25 GF Budget Request | Executive Recommendation |
| 2021-23 Original General Fund Appropriation | $ 35,714,792 | $ 35,714,792 |
| Less Tier I Funds | $ (1,012,379) | $ (1,012,379) |
| General Fund Operating | $ 34,702,413 | $ 34,702,413 |
| Costs to Continue Salaries | $ 156,925 | $ 156,925 |
| Student Mental Health Initiative | $ 186,750 | $ - |
| Base Adjustments - Funding Formula | $ (4,001,780) | $ (4,001,780) |
| Base Adjustments - Minimum Amount Payable (4%) | $ 2,573,189 | $ 2,573,189 |
| 2021-23 Adjusted General Fund Appropriation, Net of Base Adjustments(Needs Based Budget Request) | $ 33,617,497 | $ 33,430,747 |
| Executive Recommendation Base Increases (Decreases): | | |
| 2023-25 Adjustments: | | |
| 2023-25 - 6%/4% Salary & Fringe Benefits | $ - | $ 1,432,777 |
| Health Insurance increases | | $ 694,903 |
| Total Adjustments | $ - | $ 2,127,680 |
| 2023-25 Base General Fund Request & Recommendation | $ 33,617,497 | $ 35,558,426 |

# SWOT Analysis

**S**

- Strong reputation; 120-year history
- Excellent partnerships with industry/business
- Vocational programs in demand
- 2-year school with a 4-year feel
- Exceptional learning environment for students

**W**

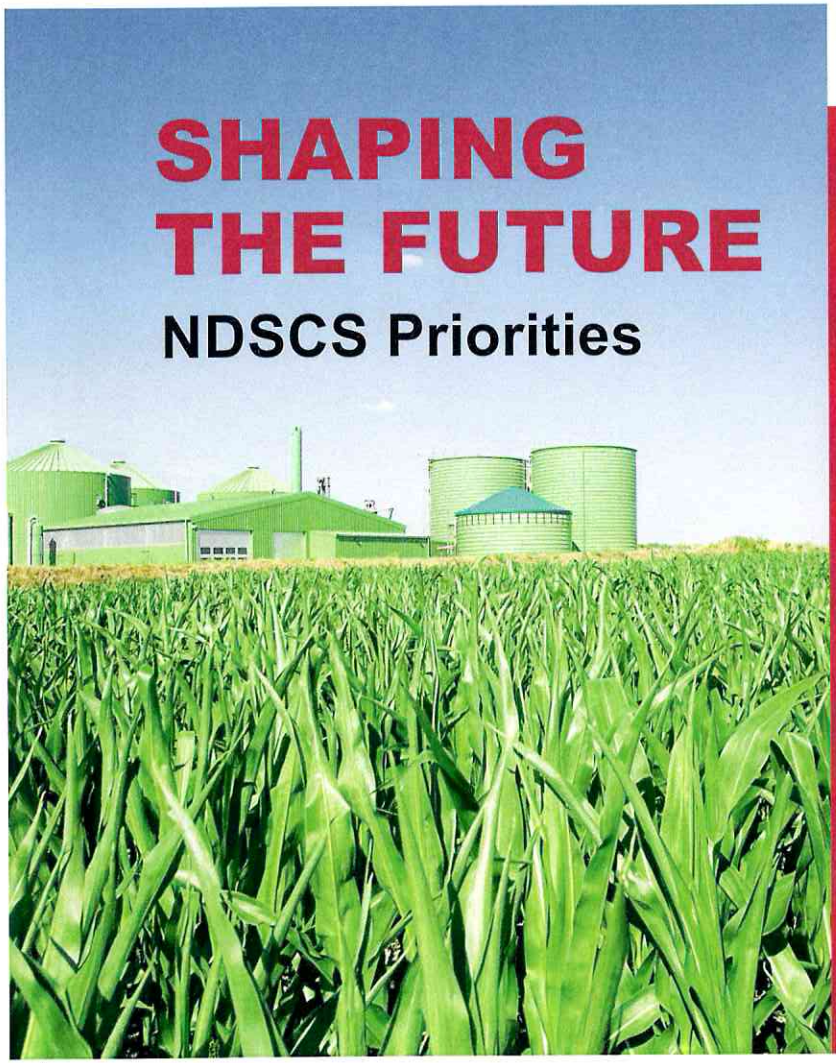
- Aged infrastructure/buildings
- Unable to fill positions due to location and pay
- 75% of our students are CTE focused, thus we have many high-cost programs

**O**

- Expand existing partnerships
- Build on our reputation for quality technical education
- Develop new and innovative programs
- Opportunity to grow with our new CIC building

**T**

- Competition from neighboring states
- Aggressive marketing from others
- Inability to fund deferred maintenance



# SHAPING THE FUTURE

## NDSCS Priorities

- Precision Ag Capital Project Request
- Funding Formula
- Fully Funded Pay Raises
- Career Innovation Center in Fargo
- Innovation Fund

# Precision Ag Capital Project

THE SCIENCE OF SUCCESS.

**Funding requested for the expansion of our Precision Agriculture program, and John Deere Tech program**

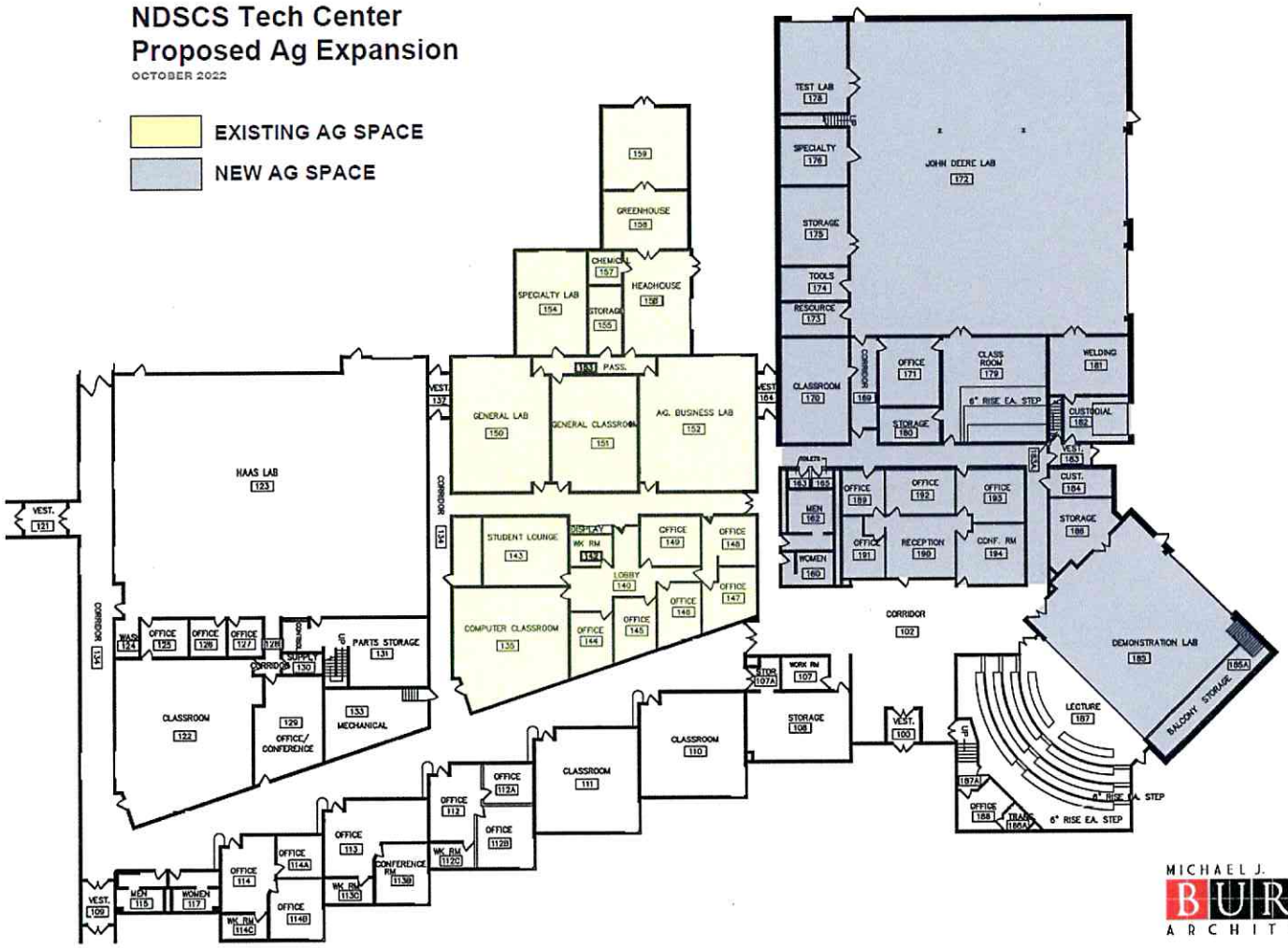
- Repurpose the north wing of the Tech Center to become the focal point for the Ag program.
- Repurpose the existing John Deere Tech lab for the Advanced Precision Ag Tech lab.
- Construct a new John Deere Tech instructional area to adjoin Bisek Hall (Diesel building)
- Both programs continue to grow and are maxed out.
- This program will allow us to address deferred maintenance needs in the building.

# NDSCS Tech Center
# Proposed Ag Expansion

OCTOBER 2022

EXISTING AG SPACE

NEW AG SPACE




MICHAEL J. BURNS ARCHITECTS LTD

THE SCIENCE OF SUCCESS.

# Funding Formula Request

## Minimum Amount Payable

We support and request the legislature to re-institute the 'Minimum Amount Payable'. While the original purpose was to "slow funding decreases as credit production dropped", NDSCS was hurt even more when the formula changed by taking away the size factor.

- Request that the 'Minimum Amount Payable' be taken to as close to 0% as fully we can get.

## Credit Hour Weighting Matrix

Historically, the funding formula has had minor changes every biennium.

- The institutional size factor was part of the original formula
  - When this size factor was eliminated last biennium, NDSCS was the only institution hurt by the change
- Changes are made to the SCH component of the Historical Base Factor
- Weighted SCH has changed in some categories (legal, MD, computer science, etc.)
- Request that all CTE credits be moved to a 5x multiplier. The cost to the state will be approx. $2.4M/year

| DISCIPLINE CLUSTERS | STUDENT CREDIT HOUR WEIGHTING MATRIX | | | | | | WEIGHTED SCH |
|---|---|---|---|---|---|---|---|
| | ELEMENTS | LOWER DIV | UPPER DIV | PROFESSIONAL | GRADUATE | MD | |
| Transportation (Aviation) | 19-21 SCH | 214 | - | - | - | - | |
| *49* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 407.00 | - | - | - | - | 407 |
| Biological/Physical Science | 19-21 SCH | 10,099 | - | - | - | - | |
| *26, 40, 41* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 19,188.00 | - | - | - | - | 19,188 |
| Business | 19-21 SCH | 6,148 | - | - | - | - | |
| *52* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 11,681.00 | - | - | - | - | 11,681 |
| Career/Tech Education | 19-21 SCH | 10,581 | 11,737 | - | - | - | |
| *12, 46, 47, 48* | Cost Factor | 3.0 | 5.0 | - | - | - | |
| | Weighted SCH | 31,743.00 | 58,685.00 | - | - | - | 90,428 |
| Education | 19-21 SCH | 3,672 | - | - | - | - | |
| *13, 19, 31* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 6,977.00 | - | - | - | - | 6,977 |

## Demonstrating the impact of moving all CTE credits to a 5x multiplier:

| Institution | Total Raw 2019-2021 SCH | Weighted Credits | Credit Completion Factor | Adjusted SCH | 2023-25 Base Funding Per Credit Hour | Hold Harmless Amount | Est 2023-25 Base | 2021-2023 Base Funding | Final - Incr/Decr for 2023-2025 | 2023-25 Base % Incr/Decr |
|---|---|---|---|---|---|---|---|---|---|---|
| Before 5x | 106,401 | 246,809 | 1.30 | 320,852 | $98.84 | $0 | $31,713,012 | $35,714,792 | ($4,001,780) | -11.20% |
| | | | | | | | | | | |
| After applying 5x | 106,401 | 268,329 | 1.30 | 348,828 | $98.84 | $0 | $34,478,160 | $35,714,792 | ($1,236,632) | -3.46% |

# Fully Funding Salary Increases

We are supportive of the 6%/4% executive recommended salary increases. We also support the proposal to fully fund this increase with general fund dollars.

It is noted that 46.9% of all compensation packages at NDSCS, approximately $2.0 million, are funded with 'local' dollars. If this salary increase goes unfunded, student fees, tuition, room and board, and other fees will have to increase for our students. This will be a significant burden for many of our students and could jeopardize enrollment numbers.

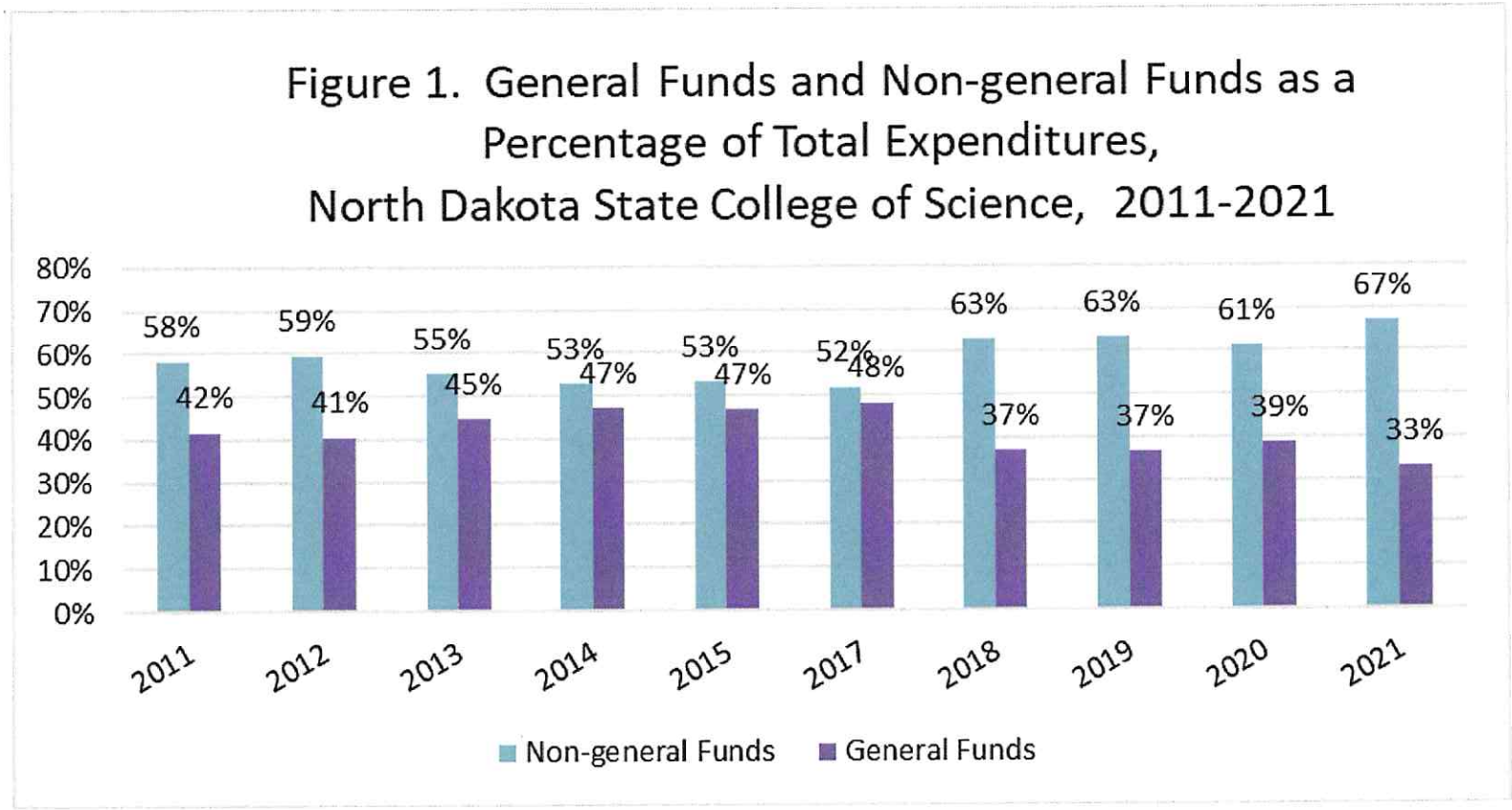


Figure 1. General Funds and Non-general Funds as a Percentage of Total Expenditures, North Dakota State College of Science, 2011-2021
80%
70%
60%
50%
40%
30%
20%
10%
0%
58%
42%
59%
41%
55%
45%
53%
47%
53%
47%
52%
48%
63%
37%
63%
37%
61%
39%
67%
33%
2011
2012
2013
2014
2015
2017
2018
2019
2020
2021
Non-general Funds
General Funds

# Career Innovation Center in Fargo

The Career Innovation Center (CIC) in Fargo is owned by the NDSCS Foundation. The N.D. CTE group has pledged $10 million of federal money towards the completion of the building.

- The project continues to progress
- Has had some challenges with inflation, supply chain, and federal funding
- We support the request by the CTE group (Wayde Sick) for an increase in dollars for all the Career Academies.

# Innovation Fund

We fully support the bill that provides funding to start new and innovative academic programs. NDSCS appreciates this opportunity and is well positioned to take advantage of this new funding.

# THANK YOU

House Appropriations Committee
January 12, 2023
Dr. Rod Flanigan, President

NDSCS

**Paige Fettig, '18 - 4th Grade Teacher**

Good morning! My name is Paige Fettig and I am a Bismarck native. I grew up here and attended K-12th grade in Bismarck Public Schools and graduated from Century High School in 2014.

I decided to attend VCSU after a Viking Visit Day because the campus and the staff made an impression on me. I knew VCSU had a reputation for having the best education program in the state, but after visiting with professors that day, I felt that had been confirmed. I was welcomed and valued and could hear the passion in their voices as they spoke about the program and what it had to offer. I knew I would be in good hands.

I cherish the time I had in Valley City. I graduated in 2018 with a bachelors in elementary ed with a few endorsement certificates under my belt. I had accepted a teaching position in Bismarck that May and have been teaching 4th grade in BPS now for 5 years. When I left my classroom this morning I had taught a lesson about reading fluency and when I return we'll jump right into sound waves. Being away from my students during the day makes me anxious, but the reason I'm here today is very important.

As I had said before, VCSU's education program has a reputation for being the best. But in order to stay at the top of the pack, the facilities need to be updated. McCarthy Hall has many of the education classes. It is one of the oldest building on campus and in desperate need of basic renovations such as the heating system. I remember when we'd have classes McCarthy, the heater would make the loudest banging noises and just operate at a level that would become too distracting for class and we'd end early. We were limited to the classrooms we could use because many of them didn't have the technology for us to project from laptops for presentations.

The environment in McCarthy is very "old school" for lack of better terms. It's that stereotypical image of a schoolhouse that comes to mind with chalkboards and rows of desks. McCarthy actually still has chalkboards! Schools today don't resemble that at all. Many classrooms have multiple options for seating, gathering spaces, and quiet heaters. Even smart boards have become obsolete and smart projectors have been installed so a regular whiteboard can become interactive when the projector is on.

I felt very prepared for my role as a classroom teacher with the learning I did at VCSU. My time there gave me the knowledge I needed not only to teach well, but also to understand how students learn. The term "students" doesn't just apply to elementary age children, it also includes adults. Learners need comfortable and welcoming environments to engage in content. They need their surroundings to be conducive to their learning needs. They need a space that allows for collaboration and communication... and to not be interrupted by banging heaters.

Currently, the education offices are in McFarland Hall, along with some faculty offices. While other offices and classes take place in McCarthy. The renovations to McCarthy will also create a more cohesive program due to the proximity of the entire department. Having a central location will allow for easier collaboration and a stronger sense of community.

We know that teacher retention has taken a big hit over the last few years. Every district is feeling it, including my own. It's imperative that we do what we can to encourage those interested in education to pursue their interests and masters of their craft. By supporting VCSU and the McCarthy renovation, you'll be helping new teachers find their passion for education, which will in turn inspire young students to find their passion for learning.

# Higher Educatio... unding Formula
## 2023-25 Biennium

**Current Law**

| Institution | Total Raw 2019-2021 SCH | Weighted Credits | Credit Completion Factor | Adjusted SCH | 2023-25 Base Funding Per Credit Hour | Hold Harmless Amount | Est 2023-25 Base | 2021-2023 Base Funding | Final - Incr/Decr for 2023-2025 | 2023-25 Base % Incr/Decr |
|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 288,369 | 1.10 | 317,206 | $98.84 | $0 | $31,240,861 | $32,084,055 | ($843,194) | -2.63% |
| DCB | 31,746 | 56,796 | 1.80 | 100,836 | $98.84 | $0 | $9,966,630 | $9,537,862 | $428,768 | 4.50% |
| LRSC | 54,480 | 88,253 | 1.50 | 132,380 | $98.84 | $0 | $13,084,439 | $14,242,152 | ($1,157,713) | -8.13% |
| NDSCS | 106,401 | 246,809 | 1.30 | 320,852 | $98.84 | $0 | $31,713,012 | $35,714,792 | ($4,001,780) | -11.20% |
| WSC | 37,803 | 67,990 | 1.70 | 115,583 | $98.84 | $0 | $11,424,224 | $11,286,737 | $137,487 | 1.22% |
| DSU | 60,000 | 152,927 | 1.50 | 229,391 | $92.60 | $0 | $21,241,607 | $20,242,730 | $998,877 | 4.93% |
| MASU | 47,249 | 130,703 | 1.60 | 209,125 | $92.60 | $0 | $19,364,975 | $18,679,828 | $685,147 | 3.67% |
| MISU | 128,851 | 382,912 | 1.20 | 459,494 | $92.60 | $0 | $42,549,144 | $41,206,630 | $1,342,514 | 3.26% |
| VCSU | 67,531 | 179,920 | 1.50 | 266,115 | $92.60 | $0 | $24,642,249 | $24,161,377 | $480,872 | 1.99% |
| NDSU | 629,828 | 2,116,803 | 1.00 | 2,116,803 | $61.81 | $0 | $130,839,593 | $138,431,325 | ($7,591,732) | -5.48% |
| UND | 630,113 | 3,375,173 | 1.00 | 2,415,641 | $61.81 | $0 | $149,310,770 | $150,927,125 | ($1,616,355) | -1.07% |
| UND-SMHS | | | | 959,532 | $61.81 | $0 | $59,308,673 | $57,446,809 | $1,861,864 | 3.24% |
| **TOTAL** | **1,933,379** | **7,086,655** | | **7,642,958** | | **-** | **$544,686,177** | **$553,961,422** | **($9,275,245)** | **-1.7%** |

# Higher Education Funding Formula
## 2023-25 Biennium

**Current Law with 96% hold harmless**

| Institution | Total Raw 2019-2021 SCH | Weighted Credits | Credit Completion Factor | Adjusted SCH | 2023-25 Base Funding Per Credit Hour | Hold Harmless Amount | Est 2023-25 Base | 2021-2023 Base Funding | Final - Incr/Decr for 2023-2025 | 2023-25 Base % Incr/Decr | Change from current law |
|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 288,369 | 1.10 | 317,206 | $98.84 | $0 | $31,240,861 | $32,084,055 | ($843,194) | -2.63% | $0 |
| DCB | 31,746 | 56,796 | 1.80 | 100,836 | $98.84 | $0 | $9,966,630 | $9,537,862 | $428,768 | 4.50% | $0 |
| LRSC | 54,480 | 88,253 | 1.50 | 132,380 | $98.84 | $588,027 | $13,672,466 | $14,242,152 | ($569,686) | -4.00% | $588,027 |
| NDSCS | 106,401 | 246,809 | 1.30 | 320,852 | $98.84 | $2,573,188 | $34,286,200 | $35,714,792 | ($1,428,592) | -4.00% | $2,573,188 |
| WSC | 37,803 | 67,990 | 1.70 | 115,583 | $98.84 | $0 | $11,424,224 | $11,286,737 | $137,487 | 1.22% | $0 |
| DSU | 60,000 | 152,927 | 1.50 | 229,391 | $92.60 | $0 | $21,241,607 | $20,242,730 | $998,877 | 4.93% | $0 |
| MASU | 47,249 | 130,703 | 1.60 | 209,125 | $92.60 | $0 | $19,364,975 | $18,679,828 | $685,147 | 3.67% | $0 |
| MISU | 128,851 | 382,912 | 1.20 | 459,494 | $92.60 | $0 | $42,549,144 | $41,206,630 | $1,342,514 | 3.26% | $0 |
| VCSU | 67,531 | 179,920 | 1.50 | 266,115 | $92.60 | $0 | $24,642,249 | $24,161,377 | $480,872 | 1.99% | $0 |
| NDSU | 629,828 | 2,116,803 | 1.00 | 2,116,803 | $61.81 | $2,054,479 | $132,894,072 | $138,431,325 | ($5,537,253) | -4.00% | $2,054,479 |
| UND | 630,113 | 3,375,173 | 1.00 | 2,415,641 | $61.81 | $0 | $149,310,770 | $150,927,125 | ($1,616,355) | -1.07% | $0 |
| UND-SMHS | | | | 959,532 | $61.81 | $0 | $59,308,673 | $57,446,809 | $1,861,864 | 3.24% | ($0) |
| **TOTAL** | **1,933,379** | **7,086,655** | | **7,642,958** | | **5,215,694** | **$549,901,871** | **$553,961,422** | **($4,059,551)** | **-0.7%** | **$5,215,694** |

## Higher Educatio.. .unding Formula
## 2023-25 Biennium

**Executive Budget Recommendation, including a 96% hold harmless and 6%/4% salary adjustments**

| Institution | Total Raw 2019-2021 SCH | Weighted Credits | Credit Completion Factor | Adjusted SCH | 2023-25 Base Funding Per Credit Hour | Hold Harmless Amount | Est 2023-25 Base | 2021-2023 Base Funding | Final - Incr/Decr for 2023-2025 | 2023-25 Base % Incr/Decr | Change from current law | Change from current law with hold harmless |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 288,369 | 1.10 | 317,206 | $105.96 | $0 | $33,485,395 | $32,084,055 | $1,401,340 | 4.37% | $2,244,534 | $2,244,534 |
| DCB | 31,746 | 56,796 | 1.80 | 100,836 | $105.96 | $0 | $10,684,583 | $9,537,862 | $1,146,721 | 12.02% | $717,953 | $717,953 |
| LRSC | 54,480 | 88,253 | 1.50 | 132,380 | $105.96 | $588,027 | $14,615,012 | $14,242,152 | $372,860 | 2.62% | $1,530,573 | $942,546 |
| NDSCS | 106,401 | 246,809 | 1.30 | 320,852 | $105.96 | $2,573,188 | $36,570,666 | $35,714,792 | $855,874 | 2.40% | $4,857,654 | $2,284,466 |
| WSC | 37,803 | 67,990 | 1.70 | 115,583 | $105.96 | $0 | $12,247,175 | $11,286,737 | $960,438 | 8.51% | $822,951 | $822,951 |
| DSU | 60,000 | 152,927 | 1.50 | 229,391 | $98.94 | $0 | $22,695,946 | $20,242,730 | $2,453,216 | 12.12% | $1,454,339 | $1,454,339 |
| MASU | 47,249 | 130,703 | 1.60 | 209,125 | $98.94 | $0 | $20,690,828 | $18,679,828 | $2,011,000 | 10.77% | $1,325,853 | $1,325,853 |
| MISU | 128,851 | 382,912 | 1.20 | 459,494 | $98.94 | $0 | $45,462,336 | $41,206,630 | $4,255,706 | 10.33% | $2,913,192 | $2,913,192 |
| VCSU | 67,531 | 179,920 | 1.50 | 266,115 | $98.94 | $0 | $26,329,418 | $24,161,377 | $2,168,041 | 8.97% | $1,687,169 | $1,687,169 |
| NDSU | 629,828 | 2,116,803 | 1.00 | 2,116,803 | $66.16 | $2,054,479 | $142,102,165 | $138,431,325 | $3,670,840 | 2.65% | $11,262,572 | $9,208,093 |
| UND | 630,113 | 3,375,173 | 1.00 | 2,415,641 | $66.16 | $0 | $159,818,809 | $150,927,125 | $8,891,684 | 5.89% | $10,508,039 | $10,508,039 |
| UND-SMHS | | | | 959,532 | $66.16 | $0 | $63,482,637 | $57,446,809 | $6,035,828 | 10.51% | $4,173,964 | $4,173,964 |
| **TOTAL** | **1,933,379** | **7,086,655** | | **7,642,958** | | **5,215,694** | **$588,184,970** | **$553,961,422** | **$34,223,548** | **6.2%** | **$43,498,793** | **$38,283,099** |

## Higher Education Funding Formula
## 2023-25 Biennium

**Executive Budget Recommendation plus proposal to move CTE to a factor of 5 and move dental hygienist credits to CTE**

| Institution | Total Raw 2019-2021 SCH | Weighted Credits | Credit Completion Factor | Adjusted SCH | 2023-25 Base Funding Per Credit Hour | Hold Harmless Amount | Est 2023-25 Base | 2021-2023 Base Funding | Final - Incr/Decr for 2023-2025 | 2023-25 Base % Incr/Decr | Change from current law | Change from current law with hold harmless | Change from Executive Budget Recommendation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 300,389 | 1.10 | 330,428 | $105.96 | $0 | $34,886,398 | $32,084,055 | $2,802,343 | 8.73% | $3,645,537 | $3,645,537 | $1,401,003 |
| DCB | 31,746 | 56,796 | 1.80 | 100,836 | $105.96 | $0 | $10,684,583 | $9,537,862 | $1,146,721 | 12.02% | $717,953 | $717,953 | $0 |
| LRSC | 54,480 | 91,037 | 1.50 | 136,556 | $105.96 | $175,271 | $14,644,745 | $14,242,152 | $402,593 | 2.83% | $1,560,306 | $972,279 | $29,733 |
| NDSCS | 106,401 | 268,329 | 1.30 | 348,828 | $105.96 | $0 | $36,961,815 | $35,714,792 | $1,247,023 | 3.49% | $5,248,803 | $2,675,615 | $391,149 |
| WSC | 37,803 | 69,910 | 1.70 | 118,847 | $105.96 | $0 | $12,593,028 | $11,286,737 | $1,306,291 | 11.57% | $1,168,804 | $1,168,804 | $345,853 |
| DSU | 60,000 | 152,927 | 1.50 | 229,391 | $98.94 | $0 | $22,695,946 | $20,242,730 | $2,453,216 | 12.12% | $1,454,339 | $1,454,339 | $0 |
| MASU | 47,249 | 130,703 | 1.60 | 209,125 | $98.94 | $0 | $20,690,828 | $18,679,828 | $2,011,000 | 10.77% | $1,325,853 | $1,325,853 | $0 |
| MISU | 128,851 | 382,912 | 1.20 | 459,494 | $98.94 | $0 | $45,462,336 | $41,206,630 | $4,255,706 | 10.33% | $2,913,192 | $2,913,192 | $0 |
| VCSU | 67,531 | 179,920 | 1.50 | 266,115 | $98.94 | $0 | $26,329,418 | $24,161,377 | $2,168,041 | 8.97% | $1,687,169 | $1,687,169 | $0 |
| NDSU | 629,828 | 2,116,803 | 1.00 | 2,116,803 | $66.16 | $2,054,479 | $142,102,165 | $138,431,325 | $3,670,840 | 2.65% | $11,262,572 | $9,208,093 | $0 |
| UND | 630,113 | 3,375,173 | 1.00 | 2,415,641 | $66.16 | $0 | $159,818,809 | $150,927,125 | $8,891,684 | 5.89% | $10,508,039 | $10,508,039 | $0 |
| UND-SMHS | | | | 959,532 | $66.16 | $0 | $63,482,637 | $57,446,809 | $6,035,828 | 10.51% | $4,173,964 | $4,173,964 | $0 |
| **TOTAL** | **1,933,379** | **7,124,899** | | **7,691,596** | | **2,229,750** | **$590,352,708** | **$553,961,422** | **$36,391,286** | **6.6%** | **$45,666,531** | **$40,450,837** | **$2,167,738** |

NORTH DAKOTA
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ACCESS. INNOVATION. EXCELLENCE.

# House Appropriations Education and Environment Division

January 18, 2023

600 E Boulevard Department 215
Bismarck, North Dakota 58505-0230
Website: www.ndus.edu

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# Table 5

## Trending Headcount, Full Time Enrolled, and FTE of Degree Credit Students

Fall 2022

| Institution | 2018 | | | 2019 | | | 2020 | | | 2021 | | | 2022 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | HC | FT | FTE | HC | FT | FTE | HC | FT | FTE | HC | FT | FTE | HC | FT | FTE |
| BSC | 3,778 | 2,040 | 2,611 | 3,739 | 2,033 | 2,598 | 3,716 | 1,955 | 2,558 | 3,549 | 1,826 | 2,390 | 3,771 | 1,821 | 2,466 |
| DCB | 996 | 395 | 590 | 1,006 | 390 | 596 | 1,060 | 312 | 552 | 1,162 | 351 | 615 | 1,080 | 297 | 550 |
| LRSC | 2,072 | 538 | 1,005 | 1,982 | 515 | 974 | 1,771 | 468 | 867 | 1,621 | 422 | 791 | 1,679 | 416 | 797 |
| NDSCS | 2,957 | 1,589 | 2,126 | 2,977 | 1,522 | 2,076 | 2,829 | 1,485 | 2,020 | 2,802 | 1,475 | 2,029 | 2,942 | 1,514 | 2,064 |
| WSC | 1,124 | 645 | 806 | 1,132 | 626 | 783 | 959 | 573 | 703 | 908 | 565 | 668 | 924 | 514 | 646 |
| **Sub Total** | **10,927** | **5,207** | **7,138** | **10,836** | **5,086** | **7,028** | **10,335** | **4,793** | **6,701** | **10,042** | **4,639** | **6,493** | **10,396** | **4,562** | **6,524** |
| DSU | 1,392 | 902 | 1,090 | 1,350 | 929 | 1,093 | 1,441 | 967 | 1,147 | 1,415 | 990 | 1,154 | 1,473 | 985 | 1,155 |
| MaSU | 1,184 | 613 | 817 | 1,212 | 591 | 801 | 1,168 | 607 | 801 | 1,172 | 622 | 815 | 1,123 | 603 | 784 |
| MiSU | 3,189 | 2,093 | 2,483 | 3,121 | 2,026 | 2,399 | 2,920 | 1,948 | 2,273 | 2,836 | 1,961 | 2,242 | 2,777 | 1,882 | 2,167 |
| VCSU | 1,547 | 872 | 1,096 | 1,665 | 909 | 1,164 | 1,676 | 899 | 1,160 | 1,686 | 826 | 1,090 | 1,658 | 828 | 1,073 |
| **Sub Total** | **7,312** | **4,480** | **5,487** | **7,348** | **4,455** | **5,458** | **7,205** | **4,421** | **5,381** | **7,109** | **4,399** | **5,300** | **7,031** | **4,298** | **5,179** |
| NDSU | 13,796 | 11,269 | 12,394 | 13,173 | 10,659 | 11,704 | 12,846 | 10,347 | 11,252 | 12,461 | 10,026 | 10,861 | 12,242 | 9,909 | 10,701 |
| UND | 13,847 | 9,935 | 11,585 | 13,581 | 9,324 | 11,164 | 13,615 | 8,918 | 10,933 | 13,772 | 8,795 | 10,842 | 13,876 | 8,795 | 10,760 |
| **Sub Total** | **27,643** | **21,204** | **23,979** | **26,754** | **19,983** | **22,868** | **26,461** | **19,265** | **22,186** | **26,233** | **18,821** | **21,703** | **26,118** | **18,686** | **21,461** |
| **NDUS Total** | **45,882** | **30,891** | **36,603** | **44,938** | **29,524** | **35,353** | **44,001** | **28,479** | **34,268** | **43,384** | **27,859** | **33,496** | **43,545** | **27,546** | **33,164** |

Table 6

## Degree Credit Headcount by Delivery Method

Fall 2022

| Institution | Face to Face | | Hyflex/ Hybrid/ Blended[16] | Distance Education[7] | Institution Total |
|---|---|---|---|---|---|
| | On Campus | Off Campus[22] | | | |
| BSC | 1,575 | 887 | 473 | 2,183 | 3,771 |
| DCB | 219 | 173 | 98 | 817 | 1,080 |
| LRSC | 279 | 682 | | 964 | 1,679 |
| NDSCS | 1,359 | 1,355 | 771 | 851 | 2,942 |
| WSC | 507 | 116 | 212 | 652 | 924 |
| **Subtotal** | **3,939** | **3,213** | **1,554** | **5,467** | **10,396** |
| DSU | 906 | 199 | 51 | 937 | 1,473 |
| MaSU | 479 | 81 | | 725 | 1,123 |
| MiSU | 1,813 | 332 | 194 | 1,730 | 2,777 |
| VCSU | 708 | 543 | 141 | 876 | 1,658 |
| **Subtotal** | **3,906** | **1,155** | **386** | **4,268** | **7,031** |
| NDSU | 11,151 | 758 | 1,515 | 6,014 | 12,242 |
| UND | 8,457 | 266 | 3,041 | 9,444 | 13,876 |
| **Subtotal** | **19,608** | **1,024** | **4,556** | **15,458** | **26,118** |
| **NDUS Total** | **27,453** | **5,392** | **6,496** | **25,193** | **43,545** |
| **Percentage** | **63%** | **12%** | **15%** | **58%** | **100%** |

**Method Note:** Report NDUH2SRO is used in reporting as it includes ONLY degree credit coursework. Report NDUH2SRZ includes non-credit coursework, and thus is not used.

Students enrolled in multiple courses may be counted in more than one delivery method column. Thus the sum of individual column percentages will be greater than 100%

Table 7

## Degree Credit Headcount by Distance Education Delivery

Fall 2022

| Institution | Independent Study[17] | E-Learning[9] | | | Institution Total Duplicated | Institution Total Unduplicated |
|---|---|---|---|---|---|---|
| | | Online Synchronous[24] | Online Asynchronous[23] | Interactive Video[18] | | |
| BSC | 1 | 34 | 2,019 | 177 | 2,231 | 2,183 |
| DCB | 1 | | 675 | 253 | 929 | 817 |
| LRSC | | | 920 | 97 | 1,017 | 964 |
| NDSCS | | 37 | 796 | 60 | 893 | 851 |
| WSC | | | 643 | 23 | 666 | 652 |
| **Subtotal** | **2** | **71** | **5,053** | **610** | **5,736** | **5,467** |
| DSU | | 228 | 856 | 28 | 1,112 | 937 |
| MaSU | 12 | 48 | 690 | 60 | 810 | 725 |
| MiSU | 27 | 331 | 1,616 | 14 | 1,988 | 1,730 |
| VCSU | 2 | | 875 | | 877 | 876 |
| **Subtotal** | **41** | **607** | **4,037** | **102** | **4,787** | **4,268** |
| NDSU | 180 | 605 | 5,628 | | 6,413 | 6,014 |
| UND | 272 | 1,365 | 8,460 | | 10,097 | 9,444 |
| **Subtotal** | **452** | **1,970** | **14,088** | | **16,510** | **15,458** |
| **NDUS Total** | **495** | **2,648** | **23,178** | **712** | **27,033** | **25,193** |

Table 12

## Headcount by Residency and Tuition Residency Status

Fall 2022

| Residency Status | BSC | DCB | LRSC | NDSCS | WSC | DSU | MaSU | MiSU | VCSU | NDSU | UND | NDUS Total Duplicated | NDUS Total Unduplicated | Percent of Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Resident** | | | | | | | | | | | | | | |
| North Dakota | 3,100 | 927 | 1,359 | 2,133 | 685 | 899 | 774 | 1,644 | 1,204 | 4,991 | 5,343 | 23,059 | 22,322 | 52.6% |
| North Dakota Military | 67 | 24 | 69 | 28 | 2 | | 6 | 218 | 20 | 370 | 1,185 | 1,989 | 1,963 | 4.6% |
| Alumni Dependent | | | | | | | | 1 | 1 | 52 | 7 | 61 | 60 | 0.1% |
| **Resident Total** | **3,167** | **951** | **1,428** | **2,161** | **687** | **899** | **780** | **1,863** | **1,225** | **5,413** | **6,535** | **25,109** | **24,345** | **57.7%** |
| **Non Resident** | | | | | | | | | | | | | | |
| Minnesota Reciprocity | 21 | 2 | 51 | 450 | | 10 | 84 | 58 | 124 | 4,851 | 2,842 | 8,493 | 8,286 | 19.5% |
| Minnesota Professional | | | | | | | | | | 109 | 101 | 210 | 210 | 0.5% |
| Contiguous | 66 | 9 | 18 | 66 | 109 | 333 | 39 | 219 | 45 | 235 | 280 | 1,419 | 1,393 | 3.3% |
| Midwest Higher Ed[19] | 86 | 6 | 71 | 199 | 14 | 24 | 80 | 53 | 47 | 513 | 573 | 1,666 | 1,614 | 3.8% |
| Western Exchange[31] | 147 | 34 | 27 | 34 | 41 | 155 | 68 | 250 | 142 | 193 | 561 | 1,652 | 1,616 | 3.8% |
| International | 14 | 59 | 41 | 1 | 35 | 30 | 23 | 141 | 11 | 720 | 712 | 1,787 | 1,763 | 4.2% |
| Non Resident | 270 | 19 | 43 | 31 | 38 | 22 | 49 | 193 | 64 | 208 | 2,272 | 3,209 | 3,179 | 7.5% |
| **Non Resident Total** | **604** | **129** | **251** | **781** | **237** | **574** | **343** | **914** | **433** | **6,829** | **7,341** | **18,436** | **18,061** | **41.5%** |
| | | | | | | | | | | | | | | |
| **Institution Total** | **3,771** | **1,080** | **1,679** | **2,942** | **924** | **1,473** | **1,123** | **2,777** | **1,658** | **12,242** | **13,876** | **43,545** | **42,406** | 100.0% |

**Note:** Tuition Residency Status in this table reflects student status in Campus Solutions.

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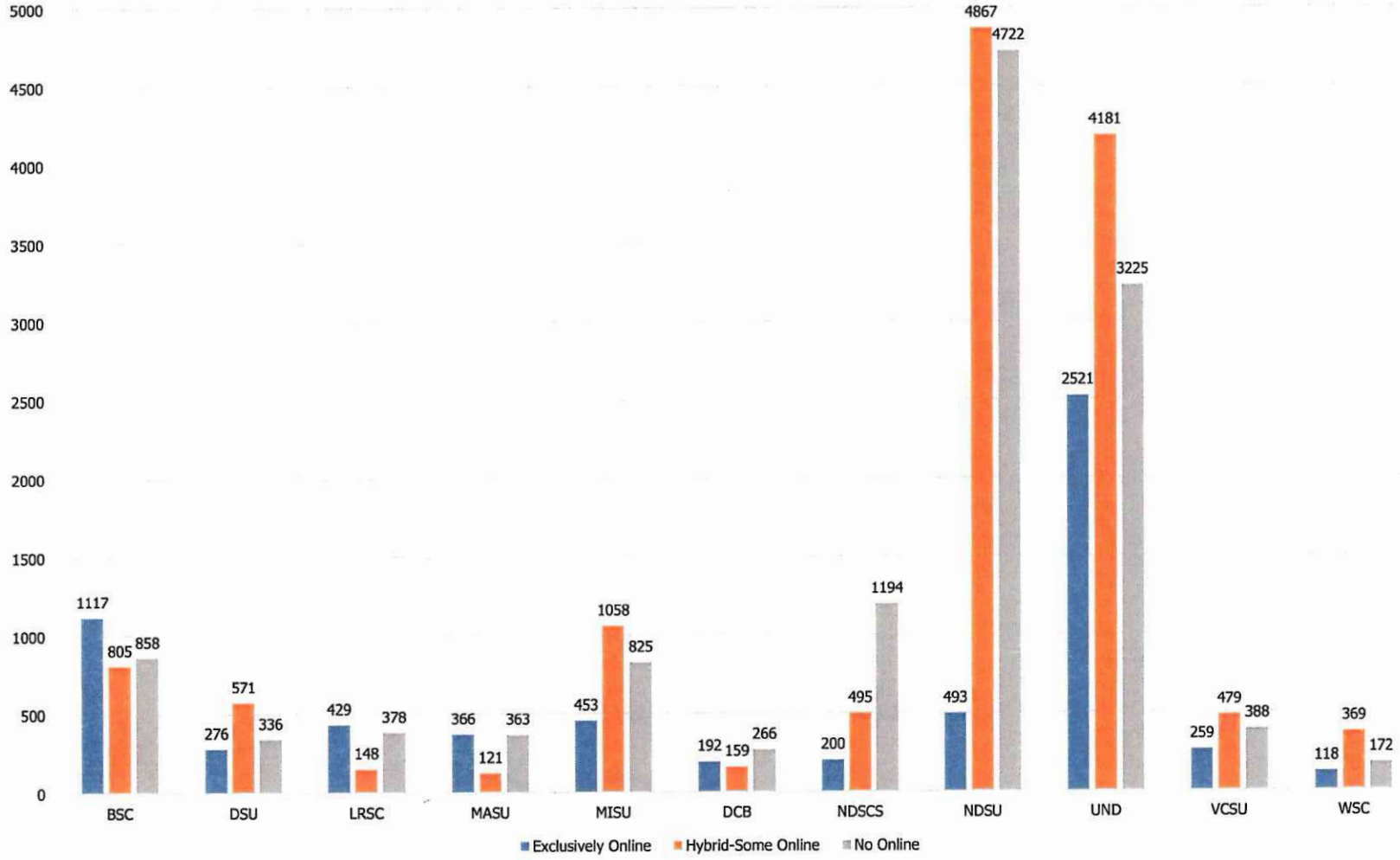
## Undergraduates/No Early Entry Headcount by Online Delivery




1/12/2023 – NDUS-IR
Data from Fall 2022 census

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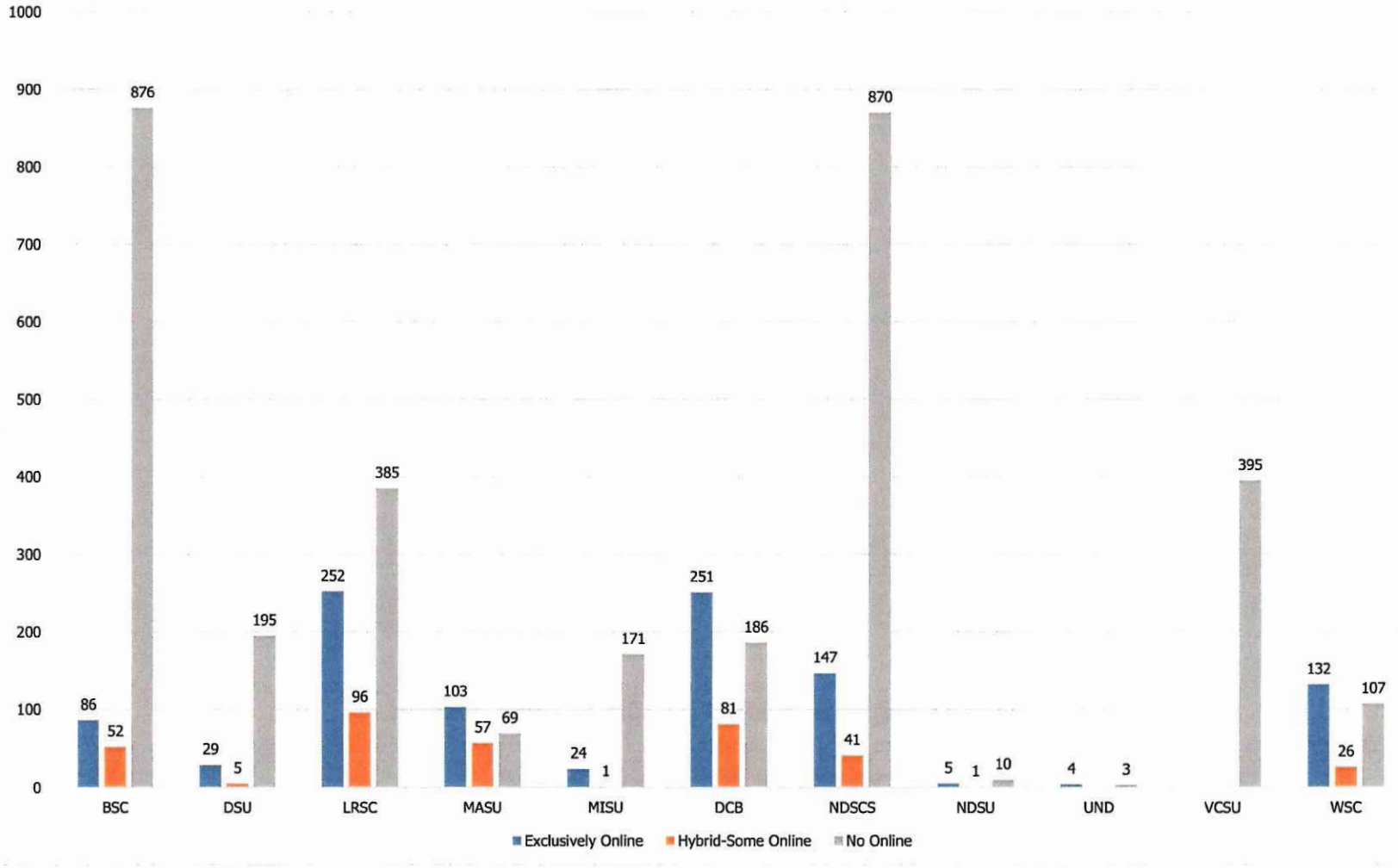
## Early Entry/High School Headcount by Online Delivery




1/12/2023 – NDUS-IR
Data from Fall 2022 census

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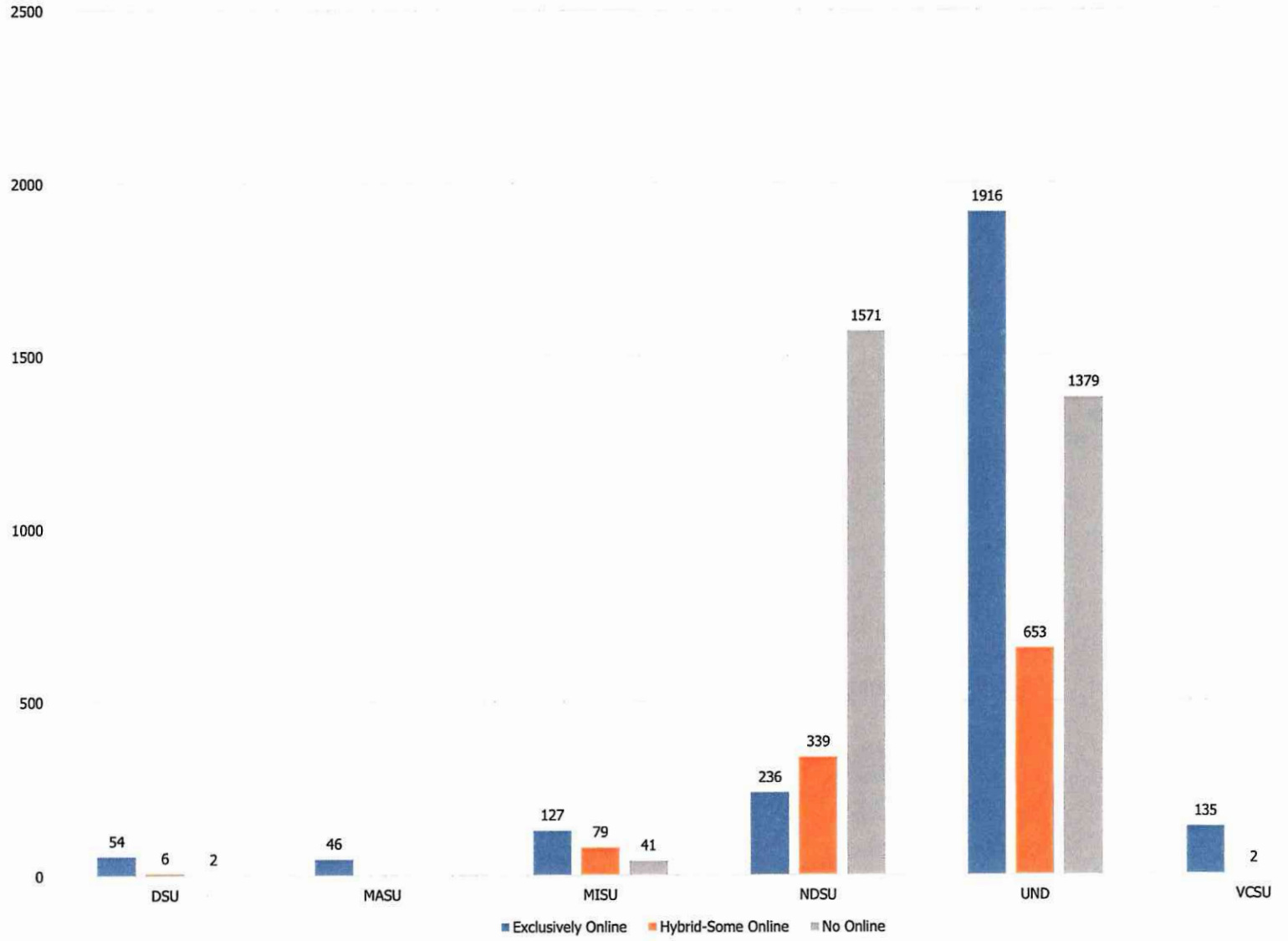
## Graduate & Professional Headcount by Online Delivery



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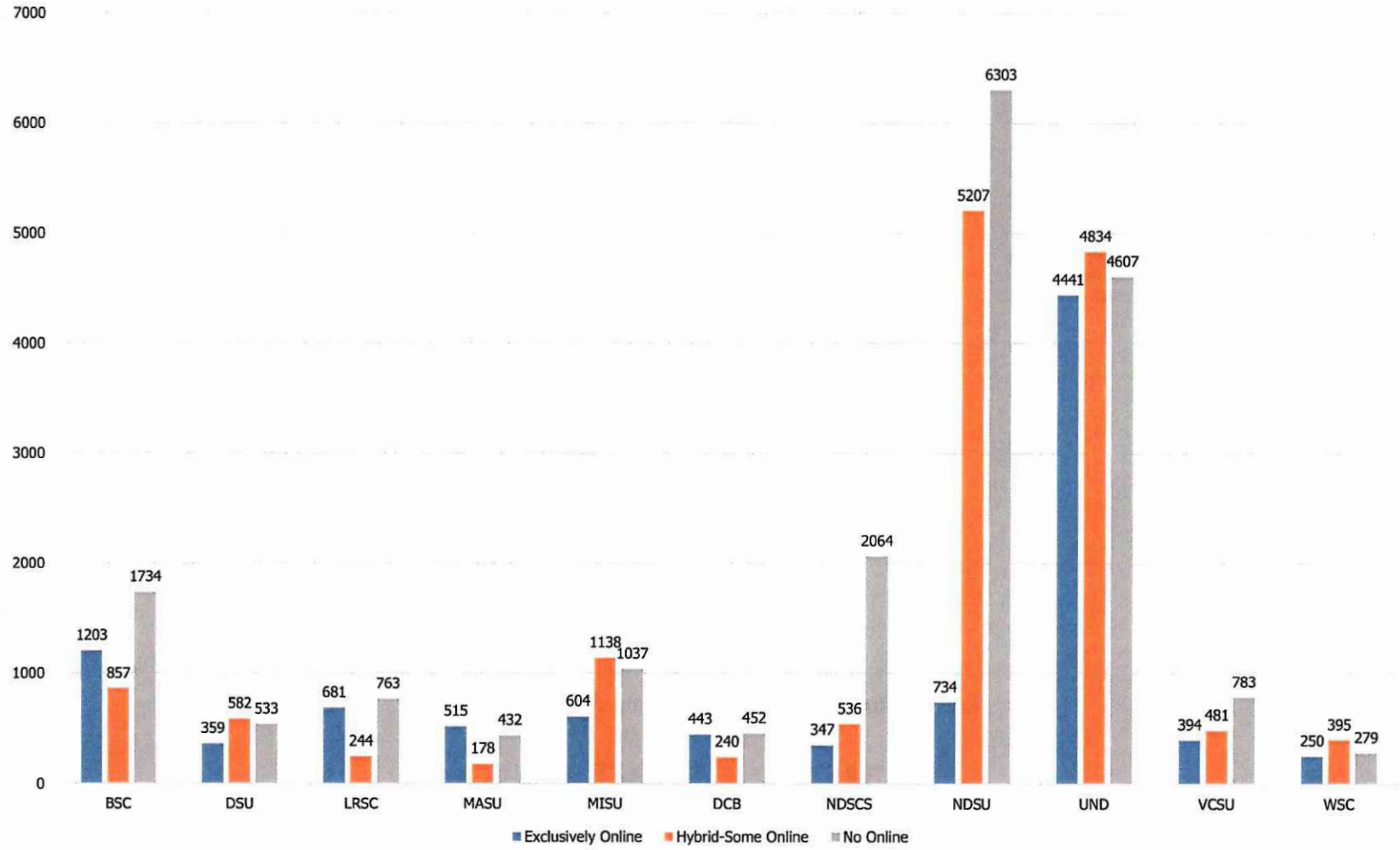
All Students (Headcount) by Online Delivery




1/12/2023 – NDUS-IR
Data from Fall 2022 census

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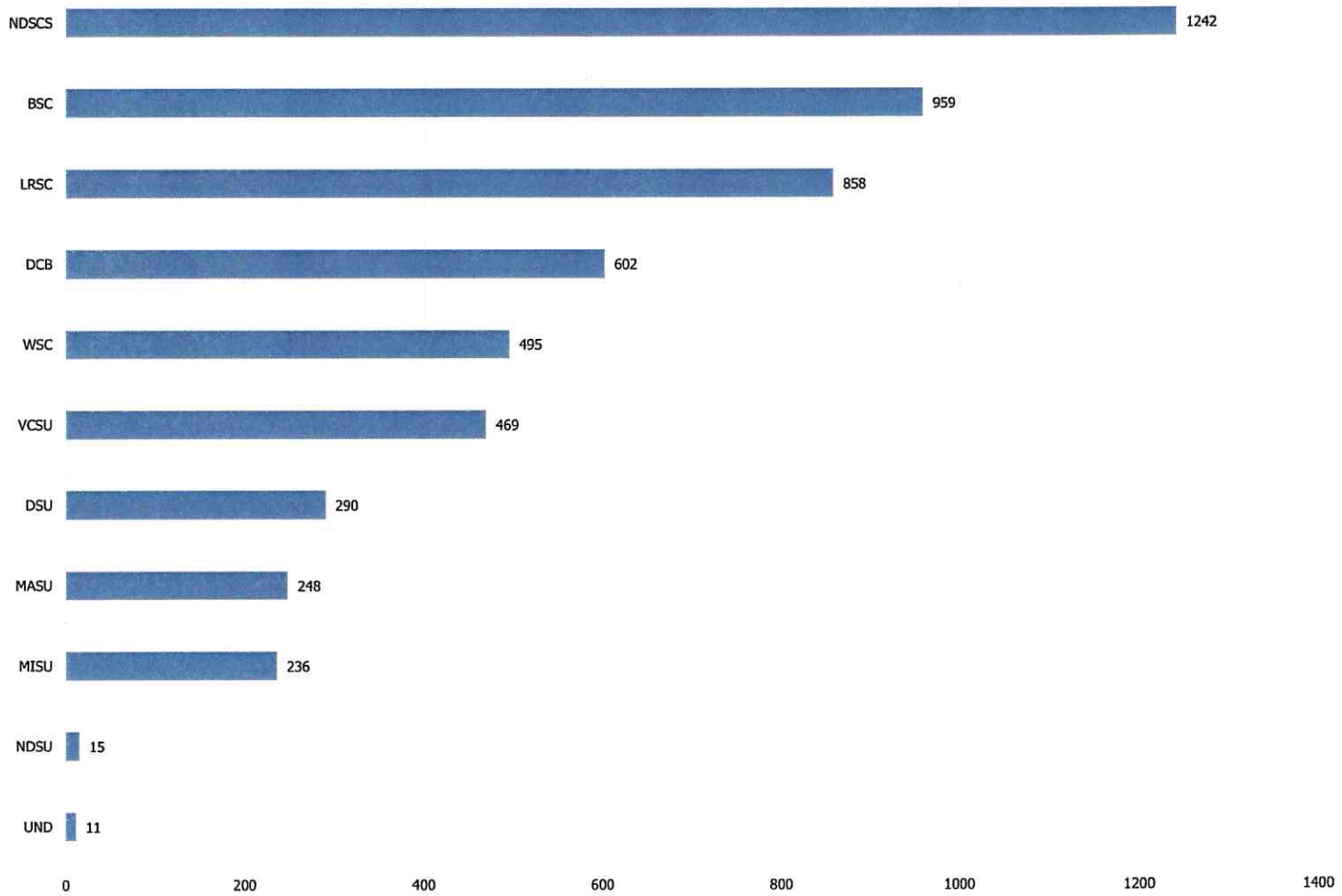
UNIVERSITY SYSTEM

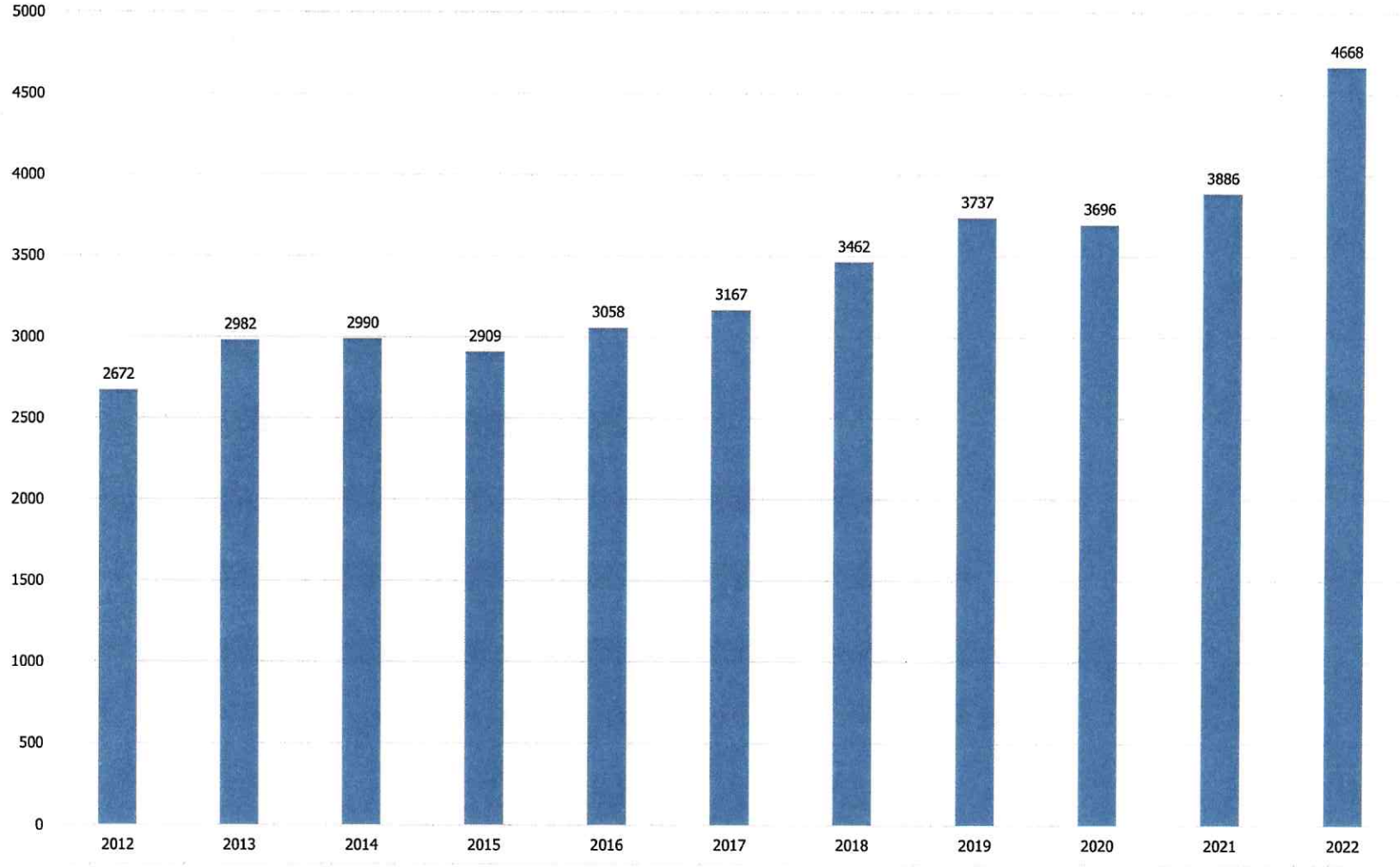
Unduplicated Headcount of High School Students - Academic Year 2021-22




1/12/2023 – NDUS-IR

NORTH DAKOTA
UNIVERSITY SYSTEM

Trending (Fall Census) Headcount of High School Students in NDUS




1/12/2023 – NDUS-IR

NORTH DAKOTA
UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

Top 5 Program Enrollments, by Institution, for Fall 2022 Term (excludes non-degree)

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Bismarck State College | Liberal Arts/Gen Studies | Energy Management (BAS) | Cybersecurity & Computer Networks | Nursing | Electric Power Technology |
| Dakota College at Bottineau | Liberal Arts/Gen Studies | Pre-Nursing | Practical Nursing | Small Business Management | Advertising & Marketing |
| Lake Region State College | Liberal Arts/Gen Studies | Pre-Nursing | Ag Farm Business Management | Business Administration | Precision Agriculture |
| ND State College of Science | Liberal Arts/Gen Studies | Electrical Technology | Diesel Technology | Agriculture | Business Management |
| Williston State College | Liberal Arts/Gen Studies | Business Management | Pre-Nursing | Practical Nursing | Accounting |
| Dickinson State University | Business Administration | Elementary Education | Exercise Science | Practical Nursing | Accounting |
| Mayville State University | Elementary Education | Business Administration | Early Childhood Education | Phy Ed Teaching | Sport Management |
| Minot State University | Nursing | Business Management | General Studies | Criminal Justice | Elementary Education |
| Valley City State University | Elementary Education | Business Administration | Education | Fisheries & Wildlife | History Education |
| North Dakota State University | Nursing | Mechanical Engineering | Business Administration | Human Development & Family Science | Psychology |
| University of North Dakota | Commericial Aviation | Nursing | Mechanical Engineering | Psychology | Biology |

## North Dakota University System
## CTE Program Student and Faculty Counts
## Fall 2021 Enrollment

| Category | Student Count (Distinct) | Instructor Count (Distinct) | Ave Students/ Instructor |
|---|---|---|---|
| **Bismarck State College** | | | |
| Auto Body Repair and Tech | 16 | 1 | 16.0 |
| Automotive Technology | 35 | 3 | 11.7 |
| Carpentry | 17 | 1 | 17.0 |
| Heat, Vent, and AC | 9 | 1 | 9.0 |
| Lineworker (Electrical) | 54 | 6 | 9.0 |
| Mechanical Maintenance Tech | 15 | 2 | 7.5 |
| Refrigeration | 9 | 1 | 9.0 |
| Sheet Metal | 17 | 1 | 17.0 |
| Welding | 49 | 3 | 16.3 |
| **Lake Region State College** | | | |
| Automotive Technology | 21 | 2 | 10.5 |
| **North Dakota State College** | | | |
| Auto Body Repair and Tech | 18 | 3 | 6.0 |
| Automotive Technology | 29 | 2 | 14.5 |
| Building Construction Tech | 37 | 3 | 12.3 |
| Case IH | 21 | 1 | 21.0 |
| Catepillar Dealer Service Tech | 19 | 3 | 6.3 |
| Construction Management | 17 | 2 | 8.5 |
| Culinary Arts | 17 | 2 | 8.5 |
| Diesel Technology | 155 | 10 | 15.5 |
| John Deere Ag Tech | 71 | 4 | 17.8 |
| Komatsu | 9 | 1 | 9.0 |
| Machine Tooling | 21 | 3 | 7.0 |
| Manufacturing Technologies | 191 | 9 | 21.2 |
| Mechanical Systems | 16 | 1 | 16.0 |
| Plumbing | 16 | 1 | 16.0 |
| Powersports Technology | 24 | 2 | 12.0 |
| Refrigeration | 36 | 2 | 18.0 |
| Robotics, Automation, Mech Tech | 21 | 2 | 10.5 |
| Welding | 68 | 5 | 13.6 |
| **Williston State College** | | | |
| Diesel Technology | 20 | 1 | 20.0 |
| Welding | 16 | 1 | 16.0 |

| Unit | Regular Benefited Faculty by FTE | Regular Benefited Staff by FTE | Temporary Instructors by FTE | Temporary Staff by FTE | Total |
|---|---|---|---|---|---|
| **BSC** | 104.0 | 212.5 | 68.0 | 36.3 | 420.8 |
| **DSU** | 61.8 | 105.9 | 31.2 | 18.4 | 217.2 |
| **LRSC** | 38.8 | 72.7 | 11.6 | 18.9 | 141.9 |
| **MASU** | 44.9 | 137.9 | 14.2 | 11.7 | 208.7 |
| **MISU** | 146.3 | 248.6 | 70.1 | 37.5 | 502.4 |
| **DCB** | 25.7 | 46.7 | 8.7 | 8.7 | 89.8 |
| **NDSCS** | 112.2 | 175.0 | 41.8 | 32.9 | 361.9 |
| **NDSU** | 659.6 | 1,721.3 | 136.9 | 517.4 | 3,035.1 |
| **NDUSO** | - | 23.0 | - | 4.4 | 27.4 |
| **CTS** | - | 127.4 | - | 1.0 | 128.4 |
| **UND** | 682.9 | 1,848.8 | 179.7 | 448.0 | 3,159.3 |
| **VCSU** | 74.9 | 129.4 | 20.1 | 7.7 | 232.0 |
| **WSC** | 30.5 | 70.1 | 6.8 | 9.6 | 116.9 |
| **Total** | **1,981.4** | **4,919.2** | **588.9** | **1,152.4** | **8,641.9** |

## North Dakota University System

| Cost of 6%/4% Increase in Executive Budget Compensation Recommendations | | | | |
|---|---|---|---|---|
| Institution | 2023-25 Exec. Rec. General Funds 6%/4% Salary Increase | 2023-25 Estimated Tuition Funds 6%/4% Salary Increase | 2023-25 Estimated Other Funds 6%/4% Salary Increase | 2023-25 General, Tuition, and Other Funds 6%/4% Salary Increase |
| BSC | $ 1,568,234 | $ 1,358,384 | $ 1,781,758 | $ 4,708,376 |
| LRSC | 619,558 | 496,635 | 660,559 | $ 1,776,752 |
| WSC | 575,935 | 323,273 | 692,644 | $ 1,591,852 |
| UND | 7,399,304 | 10,579,933 | 20,997,396 | $ 38,976,633 |
| SMHS | 3,368,540 | 1,862,296 | 4,655,330 | $ 9,886,166 |
| NDSCS | 1,432,777 | 871,431 | 1,581,405 | $ 3,885,613 |
| NDSU | 6,139,826 | 11,643,666 | 14,386,106 | $ 32,169,598 |
| DSU | 985,120 | 890,097 | 674,623 | $ 2,549,840 |
| MaSU | 871,718 | 530,062 | 1,394,529 | $ 2,796,309 |
| MiSU | 1,937,822 | 1,679,776 | 2,311,578 | $ 5,929,176 |
| VCSU | 1,010,261 | 730,977 | 833,358 | $ 2,574,596 |
| DCB | 477,519 | 219,287 | 372,276 | $ 1,069,082 |
| CTS | 1,397,241 | - | 702,056 | $ 2,099,297 |
| NDUSO | 543,529 | - | 21,748 | $ 565,277 |
| Forest Svc | 311,995 | - | 8,672 | $ 320,667 |
| Total All | $ 28,639,379 | $ 31,185,817 | $ 51,074,038 | $ 110,899,234 |

| Cost of Health Insurance Increase in Executive Budget Compensation Recommendations | | | | |
|---|---|---|---|---|
| Institution | 2023-25 Exec. Rec. General Funds Health Insur. Increase | 2023-25 Estimated Tuition Funds Health Insur. Increase | 2023-25 Estimated Other Funds 6%/4% Salary Increase | 2023-25 General, Tuition, and Other Funds Health Insur. Increase |
| BSC | $ 635,445 | $ 601,496 | $ 351,256 | 1,588,197 |
| LRSC | 257,641 | 204,725 | $ 124,030 | 586,396 |
| WSC | 189,961 | 124,727 | $ 147,664 | 462,352 |
| UND | 1,956,044 | 3,850,668 | $ 4,796,803 | 10,603,515 |
| SMHS | 862,571 | 479,499 | $ 894,243 | 2,236,313 |
| NDSCS | 694,903 | 413,833 | $ 368,984 | 1,477,720 |
| NDSU | 2,381,176 | 4,725,979 | $ 2,594,203 | 9,701,358 |
| DSU | 371,674 | 406,256 | $ 67,357 | 845,287 |
| MaSU | 365,207 | 299,961 | $ 414,597 | 1,079,765 |
| MiSU | 779,976 | 738,459 | $ 428,447 | 1,946,882 |
| VCSU | 563,746 | 382,547 | $ 144,257 | 1,090,550 |
| DCB | 190,658 | 113,313 | $ 81,773 | 385,744 |
| CTS | 386,404 | - | $ 237,254 | 623,658 |
| NDUSO | 110,082 | - | $ 5,144 | 115,226 |
| Forest Svc | 128,594 | - | $ 5,144 | 133,738 |
| Total All | $ 9,874,082 | $ 12,341,463 | $ 10,661,156 | $ 32,876,701 |

| Tuition Funds, Salary, and Health Insurance Increases | | | | |
|---|---|---|---|---|
| Institution | 2023-25 Estimated Tuition Funds 6%/4% Salary Increase | 2023-25 Estimated Tuition Funds Health Insur. Increase | Total Tuition and Other Funds 6%/4% Salary Increase and Health Insur. Increase | Estimated Tuition Incr. for Salary & Health Insur. |
| BSC | $ 1,358,384 | $ 601,496 | $ 1,959,880 | 4.48% |
| LRSC | 496,635 | 204,725 | $ 701,360 | 6.00% |
| WSC | 323,273 | 124,727 | $ 448,001 | 5.18% |
| UND | 10,579,933 | 3,850,668 | $ 14,430,602 | 3.58% |
| SMHS | 1,862,296 | 479,499 | $ 2,341,795 | 4.32% |
| NDSCS | 871,431 | 413,833 | $ 1,285,264 | 4.68% |
| NDSU | 11,643,666 | 4,725,979 | $ 16,369,645 | 5.11% |
| DSU | 890,097 | 406,256 | $ 1,296,353 | 5.76% |
| MaSU | 530,062 | 299,961 | $ 830,023 | 4.53% |
| MiSU | 1,679,776 | 738,459 | $ 2,418,234 | 4.99% |
| VCSU | 730,977 | 382,547 | $ 1,113,524 | 4.73% |
| DCB | 219,287 | 113,313 | $ 332,600 | 3.46% |
| CTS | - | - | $ - | |
| NDUSO | - | - | $ - | |
| Forest Svc | - | - | $ - | |
| Total All | $ 31,185,817 | $ 12,341,463 | $ 43,527,280 | 3.5% - 6% |

| NDUS 2023-25 Biennial Tuition Revenue Increases Generated from Annual Rate Increases (constant enrollment levels) | |
|---|---|
| | 1% / Year |
| BSC | $ 435,355 |
| DCB | 95,963 |
| DSU | 223,341 |
| LRSC | 116,042 |
| MASU | 182,491 |
| MiSU | 482,075 |
| NDSCS | 268,271 |
| NDSU | 2,984,018 |
| NDSU Phar. | 199,985 |
| UND | 3,885,578 |
| UND-Law | 123,479 |
| UND-Med | 540,946 |
| VCSU | 234,168 |
| WSC | 85,991 |
| Total | $ 9,857,703 |

## North Dakota University System

## Cost of Equity Package in Executive Budget Compensation Recommendations

| Institution | 2023-25 Estimated Equity General Funds Package | 2023-25 Estimated Equity Tuition Funds Package | 2023-25 Estimated Equity Other Funds Package | 2023-25 Estimated Equity Tuition and Other Package | Annual Tuition Incr. for Equity |
|---|---|---|---|---|---|
| BSC | $ 851,932 | $ 537,846 | $ 314,086 | **$ 1,703,865** | 1.23% |
| LRSC | 337,263 | 210,022 | 127,240 | **$ 674,525** | 1.81% |
| WSC | 287,791 | 131,779 | 156,012 | **$ 575,583** | 1.53% |
| UND | 6,742,643 | 3,002,459 | 3,740,184 | **$ 13,485,286** | 0.75% |
| SMHS | 1,942,905 | 678,163 | 1,264,743 | **$ 3,885,810** | 1.25% |
| NDSCS | 785,913 | 415,470 | 370,443 | **$ 1,571,826** | 1.55% |
| NDSU | 5,763,291 | 3,720,835 | 2,042,455 | **$ 11,526,581** | 1.17% |
| DSU | 462,889 | 397,057 | 65,832 | **$ 925,778** | 1.78% |
| MaSU | 455,106 | 191,047 | 264,059 | **$ 910,213** | 1.05% |
| MiSU | 1,091,391 | 690,670 | 400,721 | **$ 2,182,782** | 1.43% |
| VCSU | 494,204 | 358,874 | 135,330 | **$ 988,408** | 1.53% |
| DCB | 178,429 | 103,638 | 74,791 | **$ 356,858** | 1.08% |
| CTS | 516,991 | | 516,991 | **$ 1,033,981** | |
| NDUSO | 137,742 | | 137,742 | **$ 275,485** | |
| Forest Svc | 78,962 | | 78,962 | **$ 157,924** | |
| Total All | $ 20,127,452 | $ 10,437,861 | $ 9,689,591 | **$ 40,254,904** | 0.8% - 1.8% |

| | PERS Defined Benefit Plan Closure HB1040 | | |
|---|---|---|---|
| | HB1040 - Fiscal Note 2023-25 - NDUS Cost | | |
| NDUS Entity | General Fund | Special Fund | Total |
| NDUSO | $ 535,552 | $ 212,309 | $ 747,861 |
| BSC | 435,544 | 620,630 | 1,056,174 |
| LRSC | 201,563 | 265,900 | 467,463 |
| WSC | 119,036 | 157,894 | 276,930 |
| UND | 1,697,565 | 5,729,833 | 7,427,398 |
| NDSU | 1,372,595 | 4,192,975 | 5,565,570 |
| NDSCS | 543,809 | 626,915 | 1,170,724 |
| DSU | 215,766 | 248,832 | 464,598 |
| MaSU | 285,299 | 443,910 | 729,209 |
| MiSU | 384,542 | 564,738 | 949,280 |
| VCSU | 227,965 | 226,564 | 454,529 |
| DCB | 133,363 | 118,072 | 251,435 |
| Forest Service | 343,707 | 11,087 | 354,794 |
| **Total** | **$ 6,496,306** | **$ 13,419,659** | **$ 19,915,965** |

**Effective Date 12/31/2024**

| | PERS Defined Benefit Plan Closure HB1039 | | |
|---|---|---|---|
| | HB1039 - Fiscal Note 2023-25 - NDUS Cost | | |
| NDUS Entity | General Fund | Special Fund | Total |
| NDUSO | $ 1,526,391 | $ 605,108 | $ 2,131,499 |
| BSC | 1,241,354 | 1,768,872 | 3,010,226 |
| LRSC | 574,479 | 757,848 | 1,332,327 |
| WSC | 339,268 | 450,019 | 789,287 |
| UND | 4,838,274 | 16,330,743 | 21,169,017 |
| NDSU | 3,912,069 | 11,950,503 | 15,862,572 |
| NDSCS | 1,549,924 | 1,786,786 | 3,336,710 |
| DSU | 614,960 | 709,202 | 1,324,162 |
| MaSU | 813,137 | 1,265,199 | 2,078,336 |
| MiSU | 1,095,993 | 1,609,574 | 2,705,567 |
| VCSU | 649,728 | 645,736 | 1,295,464 |
| DCB | 380,103 | 336,520 | 716,623 |
| Forest Service | 979,608 | 31,600 | 1,011,208 |
| **Total** | **$ 18,515,288** | **$ 38,247,710** | **$ 56,762,998** |

**Effective Date 12/31/2023**

## Summary of Outstanding Bond Indebtedness Issued by ND Building Authority for North Dakota University System

| Projects Funded | Bond Issue | Bond Maturity Date | Outstanding Principal June 30, 2023 | Debt Service General Fund Payment 2023-25 | Debt Service Special Fund Payment 2023-25 | Debt Service Energy Savings Payment 2023-25 |
|---|---|---|---|---|---|---|
| **Authorized in 2005*** | **2005 Series A/2017 Series A** | **12/1/2023** | **$1,183,045** | **$975,396** | **$0** | **$207,649** |
| University of North Dakota Energy Conservation Projects ($2,331,554) | | | | | | |
| North Dakota State University - Hazardous material handling and storage facility ($3,500,000) | | | | | | |
| North Dakota State College of Science - Electrical Distribution ($736,000) | | | | | | |
| Dickinson State University - Murphy Hall ($4,100,557) | | | | | | |
| Minot State University - Bottineau - Thatcher Hall addition ($2,500,000) | | | | | | |
| **Authorized in 2019**** | **2020 Series A** | **12/1/2040** | **$83,175,000** | **$10,222,500** | **$3,823,875** | **$0** |
| Dickinson State University - Pulver Hall ($4,000,000) | | | | | | |
| North Dakota State University - Dunbar Hall ($40,000,000) | | | | | | |
| University of North Dakota - Gamble Hall ($6,000,000) | | | | | | |
| University of North Dakota - Deferred Maintenance ($30,000,000) - Special Fund | | | | | | |
| Valley City State University - Communication & Fine Arts Building ($30,000,000) | | | | | | |
| **Total** | | | **$84,358,045** | **$11,197,896** | **$3,823,875** | **$207,649** |

***The bonds authorized in 2005 included several other State Agencies and NDSU Research Centers the dollars identified in outstanding principle June 30, 2023, debt service general fund payment 2023-25, debt service special fund payment 2023-25, and debt service energy savings payment 2023-25 are the amounts for NDUS institutions only.**

****The bonds authorized in 2019 are obligated by the bond agreement to remain until a minimum date of 12/1/2030. Payoff of general fund portion of this bond at 12/1/2030 will be $55,150,000**

**Public Service**

Public service includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. There are four institutions that include public service expenditures, and are NDSU, UND, MiSU, and MaSU. Some examples of expenditures that fall under public service include NDSU Extension Centers, MiSU Center for Distance Education, MaSU Headstart program, UND Center for Innovation, UND Aerospace, UND Small Business Development, UND TRIO, and UND/SMHS Rural Health.

**Institutions with Online Course Fees**

There are 6 institutions charging distance education fees to students:

- NDSCS – Distance Education Fee - $38.00 per credit, all other mandatory fees are charged to all students except the Student Activity Fee. The distance education fee is utilized for additional resources required to provide online courses, such as online class technologies (Yuja, Smarthinking, Respondus), personalized instructional design support, oversight requirements and certifications relating to State Authorization Reciprocity Agreements, online instructors.
- WSC – Distance Education Fee - $33.68 per credit, all other mandatory fees are charged to all students. The distance education fee is utilized for IVN/video equipment, software licenses, Information Technologist salaries, early entry/dual credit employees, and Extended Learning Director salary.
- DCB – Distance Education Fee - $39.66 per credit, all other mandatory fees are charged to all students. The distance education fee is used to support on-going distance education, course development and redesign, professional development for faculty, learning Management System (LMS), lecture capture storage (YUGA), blackboard Learn storage, SARA fees, NetTutor fees, and staffing needed to support the online learner.
- VCSU – Distance Education fee - $45.89 per credit, online students also charged ConnectND, NDSA, and Technology fee, but not charged any other mandatory fees. The distance fee provides partial funding for the salary and benefit costs for the positions teaching, designing, and supporting distance courses. The fee also supports the design framework of VCSU distance courses.
- MaSU – Delivery Fee - $37.57 per credit, all other mandatory fees are charged to all students (ConnectND, NDSA, Technology, Access [Distance fee amount less then Campus], Activity [Distance fee amount less then Campus]). The delivery fee is to pay for student and staff support for the online delivery format, instructional design and faculty related to online classes and offset associated technology associated the same.
- LRSC – Distance Delivery Fee - $6.00 per credit. ConnectND, NDSA, and Technology Fees are charged to all students. Online Students are not charged Activity Fees or Facility Usage Fee. The distance delivery fee is used for software related to online courses.
- UND – Same fees charged to all students
- BSC - Same fees charged to all students
- NDSU – Same fees charged to all students
- DSU – Same fees charged to all students
- MiSU – Same fees charged to all students

# STUDENT FINANCIAL ASSISTANCE UNDER CONSIDERATION BY THE LEGISLATIVE ASSEMBLY

## 2023 Legislative Session - As of January 17, 2023

| Program | Description | Award Amount | Base Level Appropriation | Bill Number(s) | Additional Funding Recommended or Requested |
|---|---|---|---|---|---|
| Student financial assistance grants | Needs-based grants awarded to students based on FAFSA information | Maximum grant of $1,100 per semester | $23,917,306 | 1003<br>1031 | $0<br>$12,000,000 |
| Scholars program | Scholarships awarded to the top-ranked high school graduates based on ACT Aspire scores | Full amount of tuition | $1,807,115 | 1003 | $0 |
| Academic and career and technical education scholarship program | Scholarships awarded to resident students who achieve certain academic or technical standards in high school | $750 per semester | $16,216,749 | 1003<br>1031 | $1,000,000<br>$1,000,000 |
| Indian scholarship program | Merit or needs-based scholarships awarded to students who are enrolled members of a federally recognized Indian tribe | Up to $2,000 per academic year | $555,323 | 1003 | $444,677 |
| Professional student exchange program | Secures admission opportunities and reduces tuition costs for North Dakota students who enroll in veterinary medicine, dentistry, and optometry programs at certain out-of-state institutions | Varies by program | $3,699,342 | 1003 | $0 |
| Dual-credit tuition scholarship | Funded using Bank of North Dakota profits, this program incentivizes completion of dual-credit courses in high school | Maximum lifetime award of $750 | $1,500,000[1] | 1003<br>1031 | ($1,500,000)<br>$1,500,000 |
| Tribal community college assistance grant | Issued to five North Dakota tribal colleges for enrolling resident nonbeneficiary students | The appropriation is distributed at a prorated amount to each tribal college | $1,000,000 | 1003 | $0 |
| Higher education challenge grants | Matching grants for investments in research, scholarships, technology, endowed chairs, and educational infrastructure | Varies | Previous 1-time program | 1003<br>1033 | $50,000,000<br>$24,000,000 |
| Energy workforce scholarship | Scholarships for individuals seeking to earn degrees in high-demand occupations and for those displaced by changes in the energy sector | Undetermined | New program | 1003 | $10,000,000 |
| DHHS - Public Health loan repayment programs | Loan repayment programs for health care professionals, dentists, and veterinarians | Varies by profession | $2,120,345 | 1004 | $118,835 |
| Career builders scholarship and loan repayment | Workforce development program funded through Bank of North Dakota profits and private sector matching funds | Maximum lifetime award of $17,000 | Previous 1-time program | 1030<br>1240 | $0[2]<br>$2,000,000 |
| High-demand certificates scholarships | Scholarships for students enrolled in commercial driver's license and certified nursing assistant programs | Maximum award of $500 | New program | 1032 | $1,000,000 |
| Back the blue grants | Provides grants to assist local law enforcement agencies with workforce recruitment and retention, including tuition and fee payments made on behalf of law enforcement trainees | Varies | New program | 1307 | $5,000,000 |
| New Americans workforce development | Provides grants for workforce development training, internships, and mentorship for the New American community | Varies | New program | 1421 | $2,000,000 |
| Paraprofessional-to-teacher program | Scholarships and other assistance for paraprofessionals to become qualified teachers | Determined by the Department of Public Instruction | New program | 2032 | $3,000,000 |

| | | | | | |
|---|---|---|---|---|---|
| Teacher shortage loan forgiveness | Loan repayment program for teachers in rural or critical need positions | Up to $5,000 per year for 4 years | $0[3] | 2033 | $3,000,000 |
| Psychiatric registered nurse loan repayment | Provides for psychiatric registered nurses to participate in the health care professional student loan repayment program | Up to $12,000 per year for 5 years | Expanded program | 2127 | $888,000 |
| Immigration workforce loan program | Loans for immigrants settling in the state, which are forgivable contingent upon the individual being employed or enrolled as a full-time student | Up to $160,000 | New program | 2151 | $10,000,000 |
| Re-energize North Dakota scholarship | Scholarships to recruit and retain individuals to work in the oil and gas industry in the state | Maximum lifetime award of $16,000 | New program | 2197 | $10,250,000 |
| Student teacher experience program | Grants for student teachers | Up to $400 per week of student teaching | New program | 2270 | $0 |
| Registered nurse loan repayment | Provides for registered nurses to participate in the health care professional student loan repayment program | Up to $4,000 per year for 5 years | Expanded program | 2287 | $528,480 |
| Nursing matching grants | Matching grants for investments in research, scholarships, technology, endowed chairs, and educational infrastructure for nursing programs | Varies | New program | 2288 | $250,000 |

[1]The University System office base budget includes $1.5 million from other funds for dual-credit tuition scholarships, however the source of funds is not identified. Funding for this program is not included in the Governor's recommended budget, but is identified from Bank of North Dakota profits in House Bill No. 1031.

[2]There is no ongoing appropriation for the career builders program, however there is funding available for the program for the 2023-25 biennium in the skilled workforce student loan repayment and scholarship funds, from which the state board of higher education has continuing appropriation authority. In its July 2022 report on the career builders program, the University System office estimated $3.5 million would be available for spending during the 2023-25 biennium from the scholarship and loan repayment funds, however a portion of that funding may be obligated to continue awards for current recipients.

[3]Approximately $2.1 million of ongoing funding from the general fund was provided to the Department of Public Instruction in 2019 for the teacher shortage loan forgiveness program. Although the funding for the program has not been removed by the Legislative Assembly, the department has reallocated the funds to other areas of its budget, leaving $0 available for the program for the 2023-25 biennium.

# 2023-2025 Higher Education Funding Formula
# Legislative Report Summary

| Institution | 2019-21 Completed SCH | 2019-21 Weighted SCH | WSCH Base Factor | Historical Base Factor | WSCH Growth Factor | Credit Growth Factor | 2019-21 Adjusted SCH | 2021-23 Base Per Credit Hour | Adjustments | Prelim 2023-25 Base | 2021-23 Base | 2023-25 Base Incr/Decr | 2023-25 Base % Incr/Decr |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 288,369 | 288,369 | 1.10 | 0 | 1.00 | 317,206 | $98.84 | ($111,780) | $31,240,861 | $32,084,055 | ($843,194) | -2.63% |
| DCB | 31,746 | 56,796 | 55,050 | 1.80 | 1746 | 1.00 | 100,836 | $98.84 | $0 | $9,966,630 | $9,537,862 | $428,768 | 4.50% |
| LRSC | 54,480 | 88,253 | 88,253 | 1.50 | 0 | 1.00 | 132,380 | $98.84 | $0 | $13,084,439 | $14,242,152 | ($1,157,713) | -8.13% |
| NDSCS | 106,401 | 246,809 | 246,809 | 1.30 | 0 | 1.00 | 320,852 | $98.84 | $0 | $31,713,012 | $35,714,792 | ($4,001,780) | -11.20% |
| WSC | 37,801 | 67,990 | 67,990 | 1.70 | 0 | 1.00 | 115,583 | $98.84 | $0 | $11,424,224 | $11,286,737 | $137,481 | 1.22% |
| DSU | 60,000 | 152,927 | 152,927 | 1.50 | 0 | 1.00 | 229,391 | $92.60 | $0 | $21,241,607 | $20,242,730 | $998,877 | 4.93% |
| MASU | 47,249 | 130,703 | 130,703 | 1.60 | 0 | 1.00 | 209,125 | $92.60 | $0 | $19,364,975 | $18,679,828 | $685,147 | 3.67% |
| MISU | 128,850 | 382,912 | 382,912 | 1.20 | 0 | 1.00 | 459,494 | $92.60 | $0 | $42,549,144 | $41,206,630 | $1,342,514 | 3.26% |
| VCSU | 67,531 | 179,920 | 172,389 | 1.50 | 7531 | 1.00 | 266,115 | $92.60 | $0 | $24,642,249 | $24,161,377 | $480,872 | 1.99% |
| NDSU | 629,828 | 2,116,803 | 2,116,803 | 1.00 | 0 | 1.00 | 2,116,803 | $61.81 | $0 | $130,839,593 | $138,431,325 | ($7,591,732) | -5.48% |
| UND | 630,113 | 3,375,173 | 3,375,173 | 1.00 | 0 | 1.00 | 3,375,173 | $61.81 | $0 | $208,619,443 | $208,373,934 | $245,509 | 0.12% |
| Totals | 1,933,376 | 7,086,655 | | | | | 7,642,958 | | | $544,686,177 | $553,961,422 | ($9,275,245) | -1.67% |

2019-21 Adjusted SCH = (WSCH Base Factor * Historical Base Factor) + (WSCH Growth Factor * Credit Growth Factor)
Prelim 2023-2025 Base = (2019-21 Adjusted SCH * 2021-2023 Base Per Credit Hour) - Adjustments

## North Dakota University System
## 2019 - 2021 Completed Student Credit Hour Report Summary
## And Final 2023-25 Estimated Incr (Decr) in Base Funding

| INSTITUTION | 2019-21 ADJUSTED WEIGHTED SCH [(Col C x Col D) + (Col E x Col F)] | 2021-23 Base Funding Per Credit Hour | Adjustment | Est 2023-25 Base (Col F x Col G) | 2021-23 Total Base Funding | Prelim Estimated Incr(Decr) Base Funding for 2023-25 (Col J + Col K - Col L) | 2023-25 Adjustment for 96% Statutory Limit | 2023-25 Total Funding Formula Increase (Decrease |
|---|---|---|---|---|---|---|---|---|
| BSC | 317,206 | $ 98.84 | $ (111,780.24) | $ 31,240,861 | $ 32,084,055 | $ (843,194) | | (843,194) |
| DCB | 100,836 | $ 98.84 | $ - | $ 9,966,630 | $ 9,537,862 | $ 428,768 | | 428,768 |
| LRSC | 132,380 | $ 98.84 | $ - | $ 13,084,439 | $ 14,242,152 | $ (1,157,713) | 588,027 | (569,686) |
| NDSCS | 320,852 | $ 98.84 | $ - | $ 31,713,012 | $ 35,714,792 | $ (4,001,780) | 2,573,189 | (1,428,592) |
| WSC | 115,583 | $ 98.84 | $ - | $ 11,424,224 | $ 11,286,737 | $ 137,487 | | 137,487 |
| DSU | 229,391 | $ 92.60 | $ - | $ 21,241,607 | $ 20,242,730 | $ 998,877 | | 998,877 |
| MASU | 209,125 | $ 92.60 | $ - | $ 19,364,975 | $ 18,679,828 | $ 685,147 | | 685,147 |
| MISU | 459,494 | $ 92.60 | $ - | $ 42,549,144 | $ 41,206,630 | $ 1,342,514 | | 1,342,514 |
| VCSU ** | 266,115 | $ 92.60 | $ - | $ 24,642,249 | $ 24,161,377 | $ 480,872 | | 480,872 |
| NDSU | 2,116,803 | $ 61.81 | $ - | $ 130,839,593 | $ 138,431,325 | $ (7,591,732) | 2,054,479 | (5,537,253) |
| UND | 3,375,173 | $ 61.81 | $ - | $ 149,310,794 | $ 150,927,126 | $ (1,616,332) | | (1,616,332) |
| UND SMHS | | | | $ 59,308,649 | $ 57,446,808 | $ 1,861,841 | | 1,861,841 |
| UND SMHS-HWI | | | | $ 10,676,150 | $ 10,676,150 | $ - | | - |
| **TOTALS** | **7,642,958** | | | $ 555,362,327 | $ 564,637,572 | $ (9,275,245) | 5,215,694 | (4,059,551) |
| | | | SMHS HWI | (10,676,150) | (10,676,150) | | | |
| | | | Funding Formula w/o SMHS HWI | 544,686,177 | 553,961,422 | | | |

## North Dakota University System
## 2019 - 2021 Completed Student Credit Hour Report Summary
## And 2023-25 Estimated Incr (Decr) in Base Funding Changing CTE Lower Division to Upper Division

| INSTITUTION | 2019-21 ADJUSTED WEIGHTED SCH [(Col C x Col D) + (Col E x Col F)] | 2021-23 Base Funding Per Credit Hour | Adjustment | Est 2023-25 Base (Col F x Col G) | 2021-23 Total Base Funding | Prelim Estimated Incr(Decr) Base Funding for 2023-25 (Col J + Col K - Col L) | Prelim Estimated Incr(Decr) Base Funding for 2023-25 | Increase/(Decrease) Due to CTE Weighting Change to 5.0 |
|---|---|---|---|---|---|---|---|---|
| BSC | 330,428 | $ 98.84 | $ (111,780.24) | $ 32,547,723 | $ 32,084,055 | $ 463,668 | $ (843,194) | $ 1,306,862 |
| DCB | 100,836 | $ 98.84 | $ - | $ 9,966,630 | $ 9,537,862 | $ 428,768 | $ 428,768 | $ - |
| LRSC | 136,556 | $ 98.84 | $ - | $ 13,497,195 | $ 14,242,152 | $ (744,957) | $ (1,157,713) | $ 412,756 |
| NDSCS | 345,136 | $ 98.84 | $ - | $ 34,113,242 | $ 35,714,792 | $ (1,601,550) | $ (4,001,780) | $ 2,400,231 |
| WSC | 118,847 | $ 98.84 | $ - | $ 11,746,837 | $ 11,286,737 | $ 460,100 | $ 137,487 | $ 322,614 |
| DSU | 229,391 | $ 92.60 | $ - | $ 21,241,607 | $ 20,242,730 | $ 998,877 | $ 998,877 | $ - |
| MASU | 209,125 | $ 92.60 | $ - | $ 19,364,975 | $ 18,679,828 | $ 685,147 | $ 685,147 | $ - |
| MISU | 459,494 | $ 92.60 | $ - | $ 42,549,144 | $ 41,206,630 | $ 1,342,514 | $ 1,342,514 | $ - |
| VCSU ** | 266,115 | $ 92.60 | $ - | $ 24,642,249 | $ 24,161,377 | $ 480,872 | $ 480,872 | $ - |
| NDSU | 2,116,803 | $ 61.81 | $ - | $ 130,839,593 | $ 138,431,325 | $ (7,591,732) | $ (7,591,732) | $ - |
| UND | 3,375,173 | $ 61.81 | $ - | $ 149,310,794 | $ 150,927,126 | $ (1,616,332) | $ (1,616,332) | $ - |
| UND SMHS | | | | $ 59,308,649 | $ 57,446,808 | $ 1,861,841 | $ 1,861,841 | $ - |
| UND SMHS-HWI | | | | $ 10,676,150 | $ 10,676,150 | $ - | $ - | $ - |
| TOTALS | 7,687,904 | | | $ 559,804,790 | $ 564,637,572 | $ (4,832,782) | $ (9,275,245) | $ 4,442,463 |
| | | | SMHS HWI | (10,676,150) | (10,676,150) | | | |
| | | | Funding Formula w/o SMHS HWI | 549,128,640 | 553,961,422 | | | |

## North Dakota University System
## 2019 - 2021 Completed Student Credit Hour Report Summary
## And 2023-25 Estimated Incr (Decr) in Base Funding Changing CTE Lower Division to Upper Division

| INSTITUTION | 2019-21 ADJUSTED WEIGHTED SCH [(Col C x Col D) + (Col E x Col F)] | 2021-23 Base Funding Per Credit Hour | Adjustment | Est 2023-25 Base (Col F x Col G) | 2021-23 Total Base Funding | Prelim Estimated Incr(Decr) Base Funding for 2023-25 (Col J + Col K - Col L) | Prelim Estimated Incr(Decr) Base Funding for 2023-25 | Increase/(Decrease) Due to CTE Weighting Change to 5.0 | 2023-25 Adjustment for 96% Statutory Limit | 2023-25 Adjustment for 97% Statutory Limit | 2023-25 Adjustment for 98% Statutory Limit | 2023-25 Adjustment for 99% Statutory Limit | 2023-25 Adjustment for 100% Statutory Limit |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 330,428 | $ 98.84 | $ (111,780.24) | $ 32,547,723 | $ 32,084,055 | $ 463,668 | $ (843,194) | $ 1,306,862 | | | | | |
| DCB | 100,836 | $ 98.84 | $ - | $ 9,966,630 | $ 9,537,862 | $ 428,768 | $ 428,768 | $ - | | | | | |
| LRSC | 136,556 | $ 98.84 | $ - | $ 13,497,195 | $ 14,242,152 | $ (744,957) | $ (1,157,713) | $ 412,756 | 175,271 | 317,692 | 460,114 | 602,535 | 744,957 |
| NDSCS | 345,136 | $ 98.84 | $ - | $ 34,113,242 | $ 35,714,792 | $ (1,601,550) | $ (4,001,780) | $ 2,400,231 | 172,958 | 530,106 | 887,254 | 1,244,402 | 1,601,550 |
| WSC | 118,847 | $ 98.84 | $ - | $ 11,746,837 | $ 11,286,737 | $ 460,100 | $ 137,487 | $ 322,614 | | | | | |
| DSU | 229,391 | $ 92.60 | $ - | $ 21,241,607 | $ 20,242,730 | $ 998,877 | $ 998,877 | $ - | | | | | |
| MASU | 209,125 | $ 92.60 | $ - | $ 19,364,975 | $ 18,679,828 | $ 685,147 | $ 685,147 | $ - | | | | | |
| MISU | 459,494 | $ 92.60 | $ - | $ 42,549,144 | $ 41,206,630 | $ 1,342,514 | $ 1,342,514 | $ - | | | | | |
| VCSU ** | 266,115 | $ 92.60 | $ - | $ 24,642,249 | $ 24,161,377 | $ 480,872 | $ 480,872 | $ - | | | | | |
| NDSU | 2,116,803 | $ 61.81 | $ - | $ 130,839,593 | $ 138,431,325 | $ (7,591,732) | $ (7,591,732) | $ - | 2,054,479 | 3,438,792 | 4,823,105 | 6,207,418 | 7,591,732 |
| UND | 3,375,173 | $ 61.81 | $ - | $ 149,310,794 | $ 150,927,126 | $ (1,616,332) | $ (1,616,332) | $ - | | | | | |
| UND SMHS | | | | $ 59,308,649 | $ 57,446,808 | $ 1,861,841 | $ 1,861,841 | $ - | | | | 107,061 | 1,616,332 |
| UND SMHS-HWI | | | | $ 10,676,150 | $ 10,676,150 | $ - | $ - | $ - | | | | | |
| TOTALS | 7,687,904 | | | $ 559,804,790 | $ 564,637,572 | $ (4,832,782) | $ (9,275,245) | $ 4,442,463 | 2,402,708 | 4,286,590 | 6,170,473 | 8,161,416 | 11,554,570 |
| | | | SMHS HWI | (10,676,150) | (10,676,150) | | | | | | | | |
| | | | Funding Formula w/o SMHS HWI | 549,128,640 | 553,961,422 | | | | | | | | |

NORTH DAKOTA UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

# Student Financial Assistance Programs

## Revised January 20, 2023

| Program Name | 2019-21 | 2021-23 | 2023-25 Request |
|---|---|---|---|
| Student Financial Assistance Program (ND State Grant) | $ 23,917,306 | $ 23,917,306 | $ 23,917,306 |
| North Dakota Scholars Program | 1,807,115 | 1,807,115 | 1,807,115 |
| Academic/CTE/ND Scholarships | 12,016,749 | 16,216,749 | 17,216,749 |
| North Dakota Indian Scholarship Program | 555,323 | 555,323 | 1,000,000 |
| Professional Student Exchange Program (PSEP) | 3,699,342 | 3,699,342 | 3,699,342 |
| Education Incentive Programs | 510,000 | 260,000 | 260,000 |
| Dual Credit Tuition Scholarship | 0 | 1,500,000 | 0 |
| ND Career Builders - Skilled Workforce Scholarship and Loan Repayment | 6,000,000 | 4,500,000 | 0* |
| **Total** | **$48,505,835** | **$52,455,835** | **$47,900,512** |

*ND Career Builders Skilled Workforce Scholarship and Loan Repayment program are continuing appropriation. As of January 8, 2023, it is anticipated the ND Career Builders Skilled Workforce Scholarship is anticipated to be fully expended before the 2023-25 biennium concludes and the ND Career Builders Skilled Workforce Loan Repayment program is anticipated to have $852,593 remaining at the end of 2023-25.

## Introduced Bills related to Financial Aid Programs

- HB1030 – provides clarification and adjustments to various financial aid programs.
- HB1031– Student Financial Aid Grant Assistance, increase student grants from $1,100 to $1,600 per semester, increases appropriation by $12 million from $23.9 million to $35.9 million; Academic and Career and Technical Education Scholarship, increases appropriation by $1 million, from $16.2 million to $17.2 million; and Dual Credit Tuition Scholarship, appropriates $1.5 million from BND profits.
- HB1032 – High Demand Certificate Programs, appropriation of $1 million.
- HB1240 – ND Career Builders - Adds final 2 years of teacher education program as eligible program for scholarship and allows public funds as match. $2 million appropriation from legacy earnings.
- HB1305 – Incorporates additional scholarship requirements in high school.
- HB1382 – Adds eligibility for the Academic/CTE/ND scholarships for apprenticeship programs. Fiscal impact is $399,000.

- HB1451 – Increases the amount of the Academic/CTE/ND scholarship to $10,000 maximum, $1,250/sem. or $833/qtr. Includes $5.6 million general fund appropriation.
- HB1470 – Back-to-College Grant for students aged 25 or older who have not received a first degree. Includes $1 million general fund appropriation.
- SB2033 – Creates teacher shortage loan forgiveness program administered by DPI. $3 million general fund appropriation.
- SB2127 – Behavioral health student loan repayment program at DHHS. $377,600 general fund + $510,400 community health trust fund.
- SB2197 – Re-energize ND scholarship for oil industry workers & dependents. $10 million general fund.
- SB2287 – Adds eligibility for registered nurses to receive loan repayment administered by DHHS. Includes a $.5 million general fund appropriation.
- SB 2270 – Student teacher grant. No appropriation/fiscal note. Administered by DPI.

## Student Financial Assistance Program (ND State Grant)

- Need-based grant awarded to undergraduate ND resident students with the highest financial need.
- Application is through the Free Application for Federal Student Aid (FAFSA).
- Must attend a qualifying post-secondary North Dakota institution, unless special services or facilities only offered outside of the state are required.
- Awarded for up to the equivalent of 8 fulltime semesters, or the attainment of a 1st bachelor's degree, whichever occurs first.
- Must maintain satisfactory academic progress at enrolling institution to qualify.
- Maximum grant is $1,100 per semester or $733 per quarter. Part-time enrolled student may qualify for a pro-rated award amount down to ¼ time.
- **Average # awarded per year is 6,100.**
- Award formula excludes other state, institutional or private scholarships or grants.
- 2021-23 projected expenditures: $24.4 million.
- 2023-25 budget request: Maintain the current funding level of $23,917,306, based on the maximum award amounts noted above.

| ND State Grant | | | | | |
|---|---|---|---|---|---|
| Biennium | General Fund (GF) Appropriation (post-allotment) | Prior Biennium Carryover | Total Available | Actual or Est. GF Expenditures | Actual or Est. Carryover |
| 2007-09 | $ 5,823,497 | $ 364,300 | $ 6,187,797 | $ 5,634,251 | $ 553,546 |
| 2009-11 | $ 19,025,594 | $ 553,546 | $ 19,579,140 | $ 17,358,587 | $ 2,220,553 |
| 2011-13 | $ 19,025,594 | $ 2,220,553 | $ 21,246,147 | $ 20,097,526 | $ 1,148,621 |
| 2013-15 | $ 21,245,679 | $ 1,148,621 | $ 22,394,300 | $ 18,363,111 | $ 4,031,189 |
| 2015-17 | $ 23,886,160 | $ 4,031,189 | $ 27,917,349 | $ 22,120,356 | $ 796,993 |
| *2017-19 | $ 21,917,306 | $ 796,993 | $ 22,714,299 | $ 19,720,372 | $ 2,993,927 |
| **2019-21 | $ 23,917,306 | $ 2,993,927 | $ 26,911,233 | $ 23,454,448 | $ 956,785 |
| 2021-23 | $ 23,917,306 | $ 956,785 | $ 24,874,091 | $ 24,400,000 | $ 474,091 |
| 2023-25 | $ 23,917,306 | $ 474,091 | $ 24,391,397 | $ 24,391,397 | $ - |

*2017 Legislative Assembly directed $5.0 million carryover to be turned-back at end of 2015-17 biennium.

**The Emergency Commission and Legislative Budget Section approved a transfer to $2.5 million to the ND Academic & CTE Scholarship to cover shortfall in that program in 2019-21 biennium.

## North Dakota Scholars Program

- Premier merit-based scholarship providing full regular (basic) undergraduate tuition scholarships to the top-ranked ND resident high school graduates based on national test scores on the ACT or SAT.
- National test must be taken in the junior year of high school, prior to July 1 preceding the start of the senior year in high school.
- Students ranked in the top 95$^{th}$ percentile of all test-takers in the state are considered for the award (215 in top 95$^{th}$ in 2022 cohort).
- Must attend qualifying post-secondary North Dakota institution unless special services or facilities only offered outside of the state are required.
- Awarded for maximum of 8 semesters or the attainment of a bachelor's degree, whichever occurs first.
- Must enroll as a fulltime student (12 credits) and maintain a 3.50 cumulative grade point average for renewal.
- Retention rates from year-to-year are 87%.
- **Current appropriation provides for approximately 30 new awards per year.**
  - The 6-year period through 2014/15 produced an average of 49 new awards per year. The subsequent 6-year average dropped to 31 new awards per year.
  - Beginning in the 2023-25 biennium, current appropriation will only support 28-29 new Scholars per year.
- 2021-23 projected expenditures: $1.9 million.
- 2023-25 budget request: Maintain the current funding level of $1,807,115.

| ND Scholars Program | | | | | |
|---|---|---|---|---|---|
| Biennium | General Fund (GF) Appropriation (post-allotment) | Prior Biennium Carryover | Total Available | Actual or Est. GF Expenditures | Actual or Est. Carryover |
| 2007-09 | $ 1,478,566 | $ 185,018 | $ 1,663,584 | $ 1,320,342 | $ 343,242 |
| 2009-11 | $ 2,113,584 | $ 343,242 | $ 2,456,826 | $ 2,060,990 | $ 395,836 |
| 2011-13 | $ 2,113,584 | $ 395,836 | $ 2,509,420 | $ 2,282,580 | $ 226,840 |
| 2013-15 | $ 2,113,584 | $ 226,840 | $ 2,340,424 | $ 2,157,742 | $ 182,682 |
| 2015-17 | $ 2,113,584 | $ 182,682 | $ 2,296,266 | $ 2,029,436 | $ 266,830 |
| 2017-19 | $ 1,807,115 | $ 266,830 | $ 2,073,945 | $ 1,694,730 | $ 379,215 |
| 2019-21 | $ 1,807,115 | $ 379,215 | $ 2,186,330 | $ 1,716,060 | $ 470,270 |
| 2021-23 | $ 1,807,115 | $ 470,270 | $ 2,277,385 | $ 1,850,451 | $ 426,934 |
| 2023-25 | $ 1,807,115 | $ 426,934 | $ 2,234,049 | $ 1,970,649 | $ 263,400 |

## ND Academic, ND CTE and North Dakota Scholarships

- Merit-based scholarship providing $750 per semester or $500 per quarter or clock-hour scholarship to ND resident students for meeting challenging academic and technical criteria in high school
- The new North Dakota scholarship was created by the 2021 Legislative Assembly. Students graduating in 2022, 2023, or 2024 can qualify via the Academic or CTE scholarship requirements, or the new North Dakota scholarship requirements. Starting with the graduating class of 2025, students can only qualify under the new North Dakota Scholarship requirements.
- Awards capped at $6,000 over a maximum of six years following high school graduation to undergraduate and graduate/professional students.
- Must maintain a 2.75 grade point average and meet degree-progress requirements during post-secondary enrollment.
- Must be enrolled full time as defined by the institution.
- Must attend an accredited public, private or tribal institution of higher education with a physical presence in this state, including accredited private career schools.
- Approximately 23% of high school seniors qualify. High school graduates are anticipated to grow through 2032, peaking at 10,620 graduates (*Western Interstate Commission for Higher Education, Knocking at the College Door, 10th Edition, 2020.)*
- **The 5-year average # awarded per year (unduplicated) is 5,230.**
- $2.5 million transferred from the need-based state grant program to cover shortfall in 2019-21 biennium. Anticipating $1 million shortfall in 2023-25 biennium. Pro-rating awards is not provided for in statute.
- 2021-23 projected expenditures: $15.8 million.
- 2023-25 budget request: $17,216,749 includes a $1 million increase to cover anticipated shortfall.

| Academic, CTE and ND Scholarships | | | | | |
|---|---|---|---|---|---|
| **Biennium** | **General Fund (GF) Appropriation (post-allotment)** | **Prior Biennium Carryover** | **Total Available** | **Actual or Est. GF Expenditures** | **Actual or Est. Carryover** |
| 2009-11 | $ 3,000,000 | $ - | $ 3,000,000 | $ 1,870,896 | $ 1,129,104 |
| 2011-13 | $ 10,000,000 | $ 1,129,104 | $ 11,129,104 | $ 6,970,842 | $ 4,158,262 |
| 2013-15 | $ 10,000,000 | $ 4,158,262 | $ 14,158,262 | $ 11,182,609 | $ 2,975,653 |
| 2015-17 | $ 13,134,096 | $ 2,975,653 | $ 16,109,749 | $ 12,677,219 | $ 3,432,530 |
| 2017-19 | $ 12,016,749 | $ 3,432,530 | $ 15,449,279 | $ 14,705,750 | $ 743,529 |
| **2019-21 | $ 12,016,749 | $ 743,529 | $ 12,760,278 | $ 14,838,000 | $ 422,278 |
| 2021-23 | $ 16,216,749 | $ 422,278 | $ 16,639,027 | $ 15,932,524 | $ 706,503 |
| 2023-25 | $ 16,216,749 | $ 706,503 | $ 16,923,252 | $ 17,509,610 | $ (586,358) |

**The Emergency Commission and Legislative Budget Section approved a transfer to $2.5 million to the ND Academic & CTE Scholarship to cover shortfall in that program in 2019-21 biennium.

## North Dakota Indian Scholarship Program

- Provides merit (3.50 GPA or higher) or need-based (2.00-3.49 GPA) scholarships.
- The statutory maximum award is $2,000 per academic year to eligible ND resident students.
  - FY 22 maximum awards $1,130 undergraduate and $2,000 graduate, based on appropriation level and number of qualifying applications.
- Applications submitted annually to the North Dakota University System (NDUS) with a July 15th priority date.
- Completion of the FAFSA required for need-based award determination.
- Undergraduate, graduate, & professional students may qualify.
- May attend any institution of higher learning, or state career and technical education program within this state.
- Must be enrolled full time (undergraduate 12 credits and graduate 9 credits), except for the final term to graduate.
- **5-year average number of awardees through FY22 is 274.**
- 2021-23 projected expenditures: $.56 million.
- 2023-25 budget request: Maintain the current funding level of $555,323.

| North Dakota Indian Scholarship | | | | | |
|---|---|---|---|---|---|
| Biennium | General Fund (GF) Appropriation (post-allotment) | Prior Biennium Carryover | Total Available | Actual or Est. GF Expenditures | Actual or Est. Carryover |
| 2007-09 | $ 380,626 | $ 666 | $ 381,292 | $ 380,117 | $ 5 |
| 2009-11 | $ 381,292 | $ 1,175 | $ 382,467 | $ 382,250 | $ 217 |
| 2011-13 | $ 574,267 | $ 217 | $ 574,484 | $ 556,400 | $ 18,084 |
| 2013-15 | $ 649,267 | $ 18,084 | $ 667,351 | $ 666,751 | $ 600 |
| 2015-17 | $ 649,267 | $ 600 | $ 649,867 | $ 644,056 | $ 5,811 |
| 2017-19 | $ 555,323 | $ 5,811 | $ 561,134 | $ 550,006 | $ 11,128 |
| 2019-21 | $ 555,323 | $ 11,128 | $ 566,451 | $ 543,354 | $ 23,097 |
| 2021-23 | $ 555,323 | $ 23,097 | $ 578,420 | $ 578,420 | $ - |
| 2023-25 | $ 555,323 | $ - | $ 555,323 | $ 555,323 | $ - |

## Dual Credit Tuition Scholarship

- This program was created by the 2021 Legislative Assembly. It rewards college students for taking college coursework for credit as a high school student.
- $1.5 million Bank of ND funds allotted to the program (one-time funding).
- Must have completed at least one dual credit course provided by an NDUS institution while enrolled in ND high school or a ND program of home education.
- Must have completed at least one semester, quarter, or term at an institution of higher education in the state.
- Must be enrolled at a ND state public, private, tribal, or proprietary institution.
- Maximum award $750
    - o May not exceed 50% of the cost of the dual credit course(s) taken while in high school.
    - o May not exceed tuition and fees for the semester, quarter, or term the scholarship applies.
- Total awards and pending applications to-date are $1.43 million to 2,668 students (as of 1/17/2023).
- 2021-23 projected expenditures: $1.5 million.
- 2023-25 budget request: Maintain the current funding level of $1.5 million.
    - o ND Career Builders funding level not sufficient to support both the DC Tuition Scholarship and ND Career Builders.

| Dual Credit Tuition Scholarship (One-Time Funding) | | | | | |
|---|---|---|---|---|---|
| Biennium | General Fund (GF) Appropriation-BND Funds | Prior Biennium Carryover | Total Available | Actual Exp. And Est. New Awards | Actual or Est. Carryover |
| 2021-23 | $ 1,500,000 | $ - | $ 1,500,000 | $ 1,500,000 | $ - |

## Skilled Workforce Scholarship and Skilled Workforce Loan Repayment (ND Career Builders)

- Workforce development program designed to attract and retain talent into high-need and emerging occupations in the state.
- $2.25M scholarship and $2.25M loan repayment - Bank of ND funds allotted to the program.
- Requires a private sector match dollar-for-dollar to award state funds.
- Eligible recipients may qualify for the scholarship &/or loan repayment, not to exceed a maximum of $17,000 total (50% private sector funds & 50% state funds)
- Administrative cost allowance provided for marketing (1.5% effective 7/1/21 and 0.05% effective 7/31/23).
- As of 12/22/2022, 269 individuals have been awarded under the program and are either currently working, seeking employment, or enrolled in an eligible program of study.
- Scholarship criteria:
    - Students must be admitted into a qualifying program in the state.
    - Qualifying programs are associate degree or lower credential, including certificates.
    - Requires a cumulative GPA of 2.50 or higher for payment.
    - Student agrees to live in ND and work in a high-need or emerging occupation for 3 years following program completion – Recipient signs a Scholarship Award Agreement.
    - Failing to complete program of study or meet residency/employment guidelines for a minimum of 3 years following program completion will result in student repaying funds to the state.
- Loan Repayment criteria:
    - Applicants hired into a qualifying position in ND within 24 months of application may qualify.
    - Must have an earned degree (any institution) and hold a balance on qualifying student loan(s).
    - Must live in ND and work in ND in a high-need or emerging occupation.
    - Annual award limited to $5,667, lifetime limit of $17,000.
    - No repayment provision as recipient earns the award as requirements are met.
- 2021-23 actual expenses and future obligations (state-funded dollars only): $1.2 million.
- 2023-25 budget request: Maintain the current funding source from the Bank of ND to support workforce development in the state, to include ongoing funding for marketing the program.
    - Assuming a 57% growth rate, estimated combined scholarship and loan repayment balance at the end of the 23-25 biennium is $.5 million.

| ND Career Builders Scholarship | | | | | |
|---|---|---|---|---|---|
| Biennium | General Fund (GF) Appropriation-BND Funds | Prior Biennium Carryover | Total Available | Expenses (actual/obligated/new) | Actual or Est. Carryover |
| 2019-21 | $3,000,000 | $- | $3,000,000 | $194,439 | $2,805,562 |
| 2021-23 est. | $- | $2,250,000 | $2,250,000 | $708,877 | $1,541,123 |
| 2023-25 est. | $- | $1,541,123 | $1,541,123 | $1,850,417 | $(309,294) |
| 2025-27 est. | $- | $(309,294) | | | |
| **ND Career Builders Loan Repayment** | | | | | |
| Biennium | General Fund (GF) Appropriation-BND Funds | Prior Biennium Carryover | Total Available | Expenses (actual/obligated/new) | Actual or Est. Carryover |
| 2019-21 | $3,000,000 | $- | $3,000,000 | $27,525 | $2,972,475 |
| 2021-23 est. | $- | $2,250,000 | $2,250,000 | $295,441 | $1,954,559 |
| 2023-25 est. | $- | $1,954,559 | $1,954,559 | $1,095,217 | $859,342 |
| 2025-27 est. | $- | $859,342 | $859,342 | $6,749 | $852,593 |

[2]Expenditures reflect only the state funded portion.

[3]Estimated growth 57%.

## Professional Student Exchange Program (PSEP):

- Secures admission opportunities for North Dakota resident students seeking professional training in veterinary medicine, dentistry, or optometry at out-of- state institutions.
  - Western Interstate Commission for Higher Education (WICHE) in the content areas of veterinary medicine, dentistry, and optometry.
  - University of Minnesota in veterinary medicine and dentistry.
  - Iowa State University in veterinary medicine.
  - Kansas State University in veterinary medicine.
- Budgeted new slots per year:
  - Veterinary Medicine (University of MN-2, Iowa State-4, WICHE-1, KSU-5)
  - Optometry (WICHE-8)
  - Dentistry (University of MN-5 and WICHE-2).
- Applications submitted annually to the NDUS by October 15 proceeding the first year of professional studies receive priority consideration.
- Awards support a portion of the student's tuition cost in the professional programs for 4 years.
- 10-year return to ND rates (all sites): Veterinary Medicine 50%; Optometry 45%; Dentistry 52%.
- 2021-23 projected expenditures: $4.2 million.
- 2023-25 budget request: Maintain current funding level of $3,699,342.

| PSEP | | | | | |
|---|---|---|---|---|---|
| Biennium | General Fund (GF) & Student Loan Trust Fund Appropriation (post-allotment) | Prior Biennium Carryover | Total Available | Actual or Est. GF Expenditures | Actual or Est. Carryover |
| 2007-09 | $ 2,199,566 | $ 53,564 | $ 2,253,130 | $ 2,008,731 | $ 244,399 |
| 2009-11 | $ 2,346,129 | $ 244,399 | $ 2,590,528 | $ 2,147,774 | $ 442,754 |
| 2011-13 | $ 2,856,131 | $ 442,754 | $ 3,298,885 | $ 2,647,045 | $ 651,840 |
| 2013-15 | $ 3,809,708 | $ 651,840 | $ 4,461,548 | $ 3,910,071 | $ 551,477 |
| 2015-17 | $ 3,941,754 | $ 551,477 | $ 4,493,231 | $ 3,719,775 | $ 773,456 |
| 2017-19 | $ 3,699,342 | $ 773,456 | $ 4,472,798 | $ 3,439,771 | $ 1,033,027 |
| 2019-21 | $ 3,699,342 | $ 1,033,027 | $ 4,732,369 | $ 3,221,991 | $ 1,510,378 |
| 2021-23 | $ 3,699,342 | $ 1,510,378 | $ 5,209,720 | $ 4,098,370 | $ 1,111,351 |
| 2023-25 | $ 3,699,342 | $ 1,111,351 | $ 4,810,693 | $ 4,806,111 | $ 4,582 |

## Education Incentive Programs

- **Doctoral Graduates Program**
  - UND and NDSU awarded $130,000 each to promulgate additional doctoral level graduates and doctoral programs within the state.
  - 2023-25 budget request maintains the doctoral program funding of $260,000.

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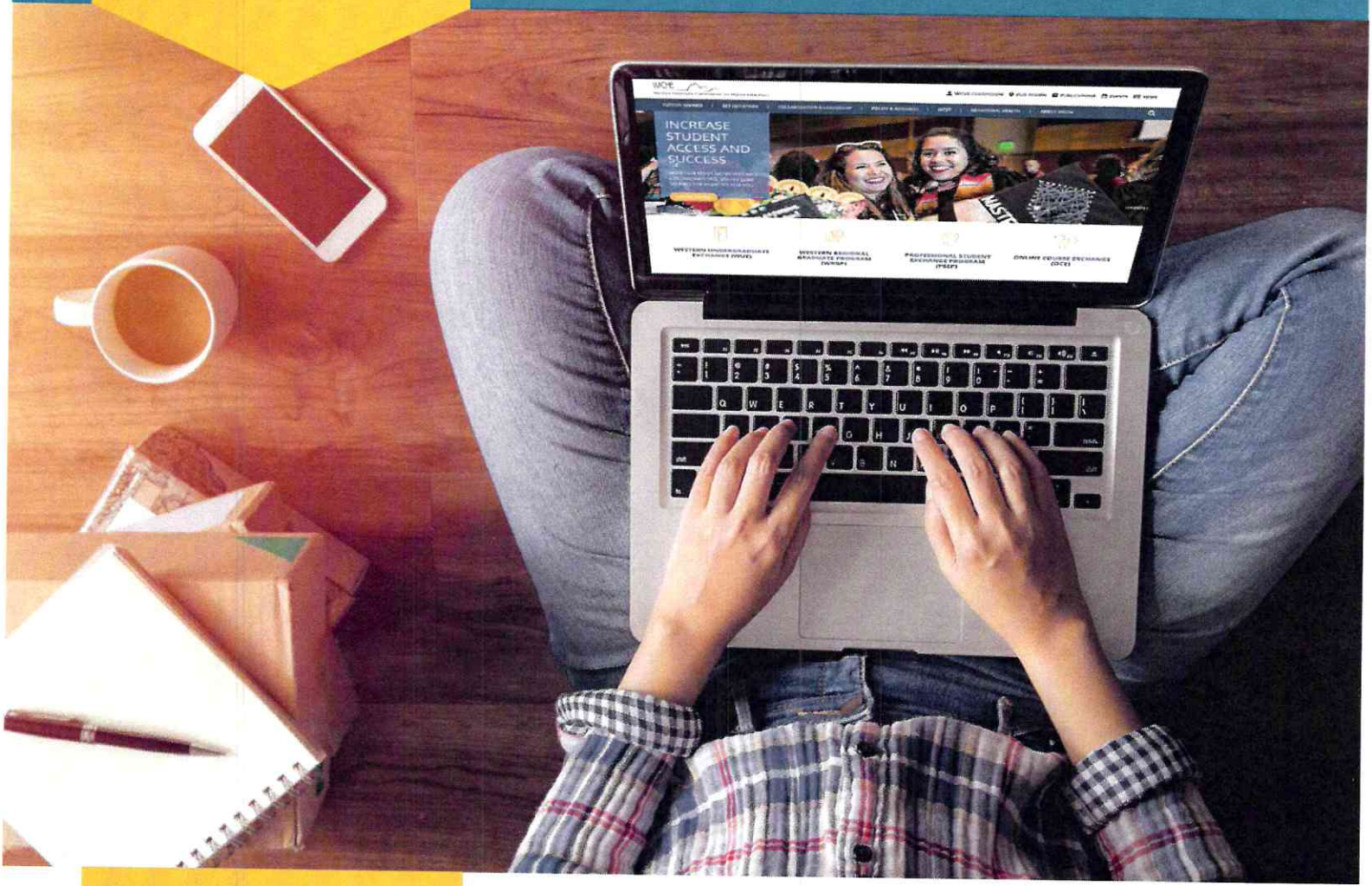
# North Dakota PSEP Return Rates by Program & Location

| 10-Year PSEP Return Rate Tracking by SITE (as of July 2021) | | | | | | |
|---|---|---|---|---|---|---|
| Site/Program | Total Enrolled | North Dakota | Outside ND | Unknown | In Residency/Other | ND Return Rate |
| IA State (Veterinary Medicine) | 31 | 15 | 14 | 2 | 0 | 48% |
| KSU (Veterinary Medicine) | 28 | 19 | 9 | 0 | 0 | 68% |
| Univerisity of MN (Veterinary Medicine) | 9 | 3 | 6 | 0 | 0 | 33% |
| Univerisity of MN (Dentistry) | 38 | 20 | 16 | 2 | 0 | 53% |
| WICHE (Veterinary Medicine) | 15 | 6 | 8 | 0 | 1 | 40% |
| WICHE (Dentistry) | 20 | 13 | 7 | 0 | 0 | 65% |
| WICHE (Optometry) | 60 | 30 | 30 | 0 | 0 | 50% |
| TOTAL | 201 | 106 | 90 | 4 | 1 | 53% |
| % | | 53% | 45% | 2% | 0% | |

STUDENT ACCESS PROGRAMS

# BY THE NUMBERS




AY 2021–22

WICHE

Western Interstate Commission for Higher Education

# PSEP PROFESSIONAL STUDENT EXCHANGE PROGRAM

The pandemic continues to amplify the need for health professionals across a range of fields, and underserved urban and rural communities alike are facing shortages of practitioners. The Professional Student Exchange Program (PSEP) has been and continues to be a critically important mechanism for Western states to increase the supply of physicians, dentists, optometrists, veterinarians, and other healthcare professionals. For nearly 70 years, WICHE member states and territories have supported the education of 15,630 Western residents with affordable access to professional healthcare degrees through PSEP.

In AY 2021–22, 10 WICHE states and the Commonwealth of the Northern Mariana Islands invested more than $13.7 million to grow their healthcare workforce by reducing the educational costs of 543 students. More than 130 accredited programs are offered through PSEP at 60 institutions.

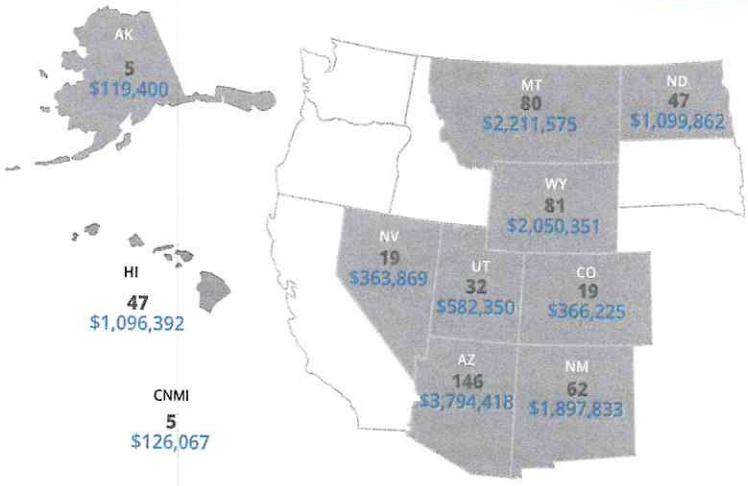
Participating healthcare programs benefit from the geographic, economic, and demographic diversity that PSEP students bring to their classrooms.

Thanks to PSEP, a student can save between $34,000 and $133,600 on tuition over the lifespan of a professional health degree program, depending on the field of study. This reduced fiscal strain enables students to afford to work in rural areas that typically pay lower salaries compared to urban areas, or to pursue professional options that are less lucrative but sorely needed. Most states and territories that support PSEP students require graduates to return home and practice for up to four years, ensuring that their investment supports the healthcare professions its residents need most.

## PSEP ENROLLMENT AND SUPPORT FEES BY PROFESSION, AY 2021–22

| Professional Field | Enrollment | Support Fee Per Student | State Investment Paid on Behalf of Students |
|---|---|---|---|
| Dentistry | 107 | $28,000 | $3,005,333 |
| Medicine | 41 | $33,400 | $1,319,300 |
| Occupational Therapy | 13 | $14,650 | $156,268 |
| Optometry | 113 | $19,275 | $2,117,037 |
| Osteopathic Medicine | 60 | $23,950 | $1,416,243 |
| Pharmacy | 10 | $8,525 | $107,986 |
| Physical Therapy | 37 | $16,125 | $596,625 |
| Physician Assistant | 2 | $19,075 | $38,150 |
| Podiatry | 20 | $16,625 | $332,500 |
| Veterinary Medicine | 140 | $33,150 | $4,618,900 |
| **Total** | **543** | | **$13,708,342** |

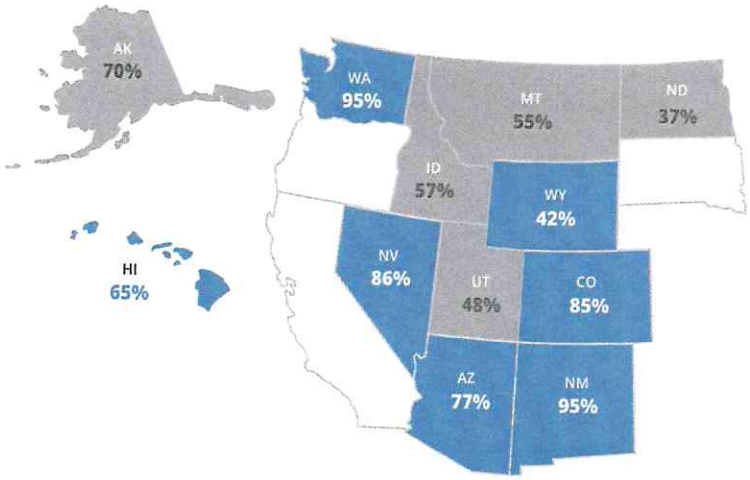
## PSEP STATE INVESTMENT AND ENROLLMENT BY STATE, AY 2021–22




**LEARN MORE** wiche.edu/tuition-savings/psep

## PSEP GRADUATE RETURN RATES, AY 2007–16

Because states and territories supporting students through PSEP want their investments to bolster their healthcare workforces, every five years WICHE calculates the percentage of PSEP graduates who return home to serve their communities. Return rates for students who graduated between AY 2007 and AY 2016 held relatively steady compared to the prior reporting period. The average student return rate for PSEP states is now 67%.




*The return rate is calculated every 5 years.*

Six states supporting PSEP students — Arizona, Colorado, Hawai'i, Nevada, New Mexico, and Wyoming — require graduates to return home to practice or reimburse funds plus interest paid by states on their behalf. Hawai'i and Wyoming recently implemented this requirement, known as "service payback," so they were not included among service payback states in the most recent cycle's calculations.

WICHE's service-payback states get higher returns on investment from PSEP participation, averaging an 83% return rate. The state of Washington required its graduates to return when it was still using the program through 2014, and the Commonwealth of the Northern Mariana Islands will require service payback for its future PSEP graduates.

"Honor-system" states (Alaska, Montana, North Dakota, and Utah) do not contractually require service payback, and their average return rate is 51%. Hawai'i and Wyoming were included in this group for the most recent year statistics, but WICHE anticipates their return rates will improve markedly in future reporting cycles due to their switch to a service-payback model. Idaho was an "honor state" when it was using the program through 2013.

***Find detailed return-rate information for each state's PSEP graduates, in each eligible professional healthcare field, in the table on page 15.***

**LEARN MORE** wiche.edu/tuition-savings/psep

## PSEP GRADUATE RETURN RATES, AY 2007–16**

| STATE/FIELD | TOTAL # GRADUATES | # RETURNED TO STATE | PERCENTAGE RETURNED |
|---|---|---|---|
| **ALASKA** | | | |
| Dentistry | 14 | 10 | 71% |
| Occupational Therapy | 5 | 4 | 80% |
| Optometry | 5 | 2 | 40% |
| Pharmacy | 17 | 14 | 82% |
| Physical Therapy | 14 | 8 | 57% |
| Physician Assistant | 4 | 3 | 75% |
| Podiatry | 1 | 1 | 100% |
| **Alaska Total** | **60** | **42** | **70%** |
| **ARIZONA*** | | | |
| Dentistry | 135 | 94 | 70% |
| Occupational Therapy | 68 | 58 | 85% |
| Optometry | 57 | 47 | 82% |
| Osteopathic Medicine** | 38 | 20 | 53% |
| Physician Assistant | 82 | 71 | 87% |
| Veterinary Medicine | 135 | 108 | 80% |
| **Arizona Total** | **515** | **398** | **77%** |
| **COLORADO*** | | | |
| Optometry | 62 | 53 | 85% |
| **Colorado Total** | **62** | **53** | **85%** |
| **HAWAI'I** | | | |
| Dentistry | 22 | 13 | 59% |
| Occupational Therapy | 24 | 17 | 71% |
| Optometry | 23 | 20 | 87% |
| Pharmacy | 41 | 28 | 68% |
| Physical Therapy | 52 | 31 | 60% |
| Veterinary Medicine | 24 | 12 | 50% |
| **Hawai'i Total** | **186** | **121** | **65%** |
| **IDAHO** | | | |
| Optometry | 14 | 8 | 57% |
| **Idaho Total** | **14** | **8** | **57%** |
| **MONTANA** | | | |
| Dentistry | 19 | 11 | 58% |
| Allopathic Medicine** | 34 | 10 | 29% |
| Occupational Therapy | 9 | 7 | 78% |
| Optometry | 9 | 5 | 56% |
| Osteopathic Medicine** | 8 | 3 | 38% |
| Podiatry | 0 | 0 | 0% |
| Veterinary Medicine | 89 | 56 | 63% |
| **Montana Total** | **168** | **92** | **55%** |
| **NEVADA*** | | | |
| Dentistry | 5 | 5 | 100% |
| Optometry | 17 | 13 | 76% |
| Pharmacy | 37 | 31 | 84% |
| Physician Assistant | 30 | 25 | 83% |
| Veterinary Medicine | 40 | 37 | 93% |
| **Nevada Total** | **129** | **111** | **86%** |
| **NEW MEXICO*** | | | |
| Dentistry | 91 | 87 | 96% |
| Optometry | 7 | 7 | 100% |
| Veterinary Medicine | 93 | 87 | 94% |
| **New Mexico Total** | **191** | **181** | **95%** |

| STATE/FIELD | TOTAL # GRADUATES | # RETURNED TO STATE | PERCENTAGE RETURNED |
|---|---|---|---|
| **NORTH DAKOTA** | | | |
| Dentistry | 28 | 14 | 50% |
| Optometry | 52 | 16 | 31% |
| Veterinary Medicine | 15 | 5 | 33% |
| **North Dakota Total** | **95** | **35** | **37%** |
| **UTAH** | | | |
| Optometry | 29 | 14 | 48% |
| Podiatry | 13 | 5 | 38% |
| Veterinary Medicine | 43 | 22 | 51% |
| **Utah Total** | **85** | **41** | **48%** |
| **WASHINGTON*** | | | |
| Optometry | 11 | 11 | 100% |
| Osteopathic Medicine** | 10 | 9 | 90% |
| **Washington Total** | **21** | **20** | **95%** |
| **WYOMING** | | | |
| Dentistry | 33 | 19 | 58% |
| Allopathic Medicine** | 19 | 1 | 5% |
| Occupational Therapy | 21 | 11 | 52% |
| Optometry | 54 | 16 | 30% |
| Osteopathic Medicine** | 12 | 1 | 8% |
| Physical Therapy | 67 | 34 | 51% |
| Physician Assistant | 34 | 20 | 59% |
| Podiatry | 4 | 0 | 0% |
| Veterinary Medicine | 73 | 31 | 42% |
| **Wyoming Total** | **317** | **133** | **42%** |
| **WASHINGTON*** | | | |
| Optometry | 11 | 11 | 100% |
| Osteopathic Medicine** | 10 | 9 | 90% |
| **Washington Total** | **21** | **20** | **95%** |

| | | | |
|---|---|---|---|
| **Total for All Reporting WICHE PSEP States** | **1,843** | **1,235** | **67%** |
| **Total for Contractual Payback States** | **918** | **763** | **83%** |
| **Total for Honor System States** | **925** | **472** | **51%** |

* *Contractual payback state for entire reporting period. Hawai'i and Wyoming instituted service payback during the latter part of the reporting period. Therefore, they were counted as "honor states."*

** *WICHE uses 2007 to 2011 return data for allopathic and osteopathic medical graduates, to allow time for them to return home and serve upon completion of their residency programs.*

NORTH DAKOTA
Health Service Corps

# ND Health Care Professional Loan Repayment Program

## Eligible Disciplines

- Physicians (MD, DO)
- Advanced Practice Providers (DNP, NP, PA, CNM, CRNA)
- Clinical Psychologist (PsyD, PhD)
- Dentists (DDS, DMD)
- Behavioral Health Professionals
- Licensed Social Workers (LBSW, LMSW, LCSW)
- Licensed Professional Counselor (LPC)
- Licensed Addiction Counselor (LAC)
- Registered Nurse working in Behavioral Health
- Behavioral Analyst

## Service Commitment

The service obligation is 5 years.

## Financial Benefits

- Physicians - up to $150,000
- Dentists - up to $100,000
- Advanced Practice Providers - up to $22,000
- Clinical Psychologist - up to $75,000
- Behavioral Health Providers - up to $22,000

## Provider Selection Criteria

- The health care professional's specialty
- The need for the health care professional's specialty within an area
- The health care professional's education and experience
- The health care professional's date of availability and anticipated term of availability
- The health care professional's willingness to accept Medicare and Medicaid assignments, if applicable.
- Works full-time
- Length of residency in North Dakota
- Attendance at an in-state or an out-of-state institution of higher education

## Community Selection Criteria

- May be a public or private entity
- Is located in an area that is statistically underserved
- Located at least twenty miles outside the boundary of a city having more than forty thousand residents
- The number of health care professionals, by specified field, already providing services in that area
- Access to health care services in the area
- The level of support from the area

## Practice Site Eligibility Criteria

*The Practice Site (Employer) must contractually commit to provide the matching funds equal to the amount required for this loan repayment program.*

| Disciplines | Percentage of Match Required | State Funds | Community Match |
|---|---|---|---|
| Physicians | 50% of State Match | $ 100,000 | $ 50,000 |
| Advanced Practice | 10% of State Match | $ 20,000 | $ 2,000 |
| Dentists | 0% of State Match | $ 100,000 | $ 0 |
| Clinical Psychologist | 25% of State Match | $ 60,000 | $ 15,000 |
| Behavioral Health Providers | 10% of State Match | $ 20,000 | $ 2,000 |

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ND Primary Care Office
kaleewerner@nd.gov | 701-805-1071
North Dakota Health Service Corps
ND Health Care Professional Loan Repayment Program

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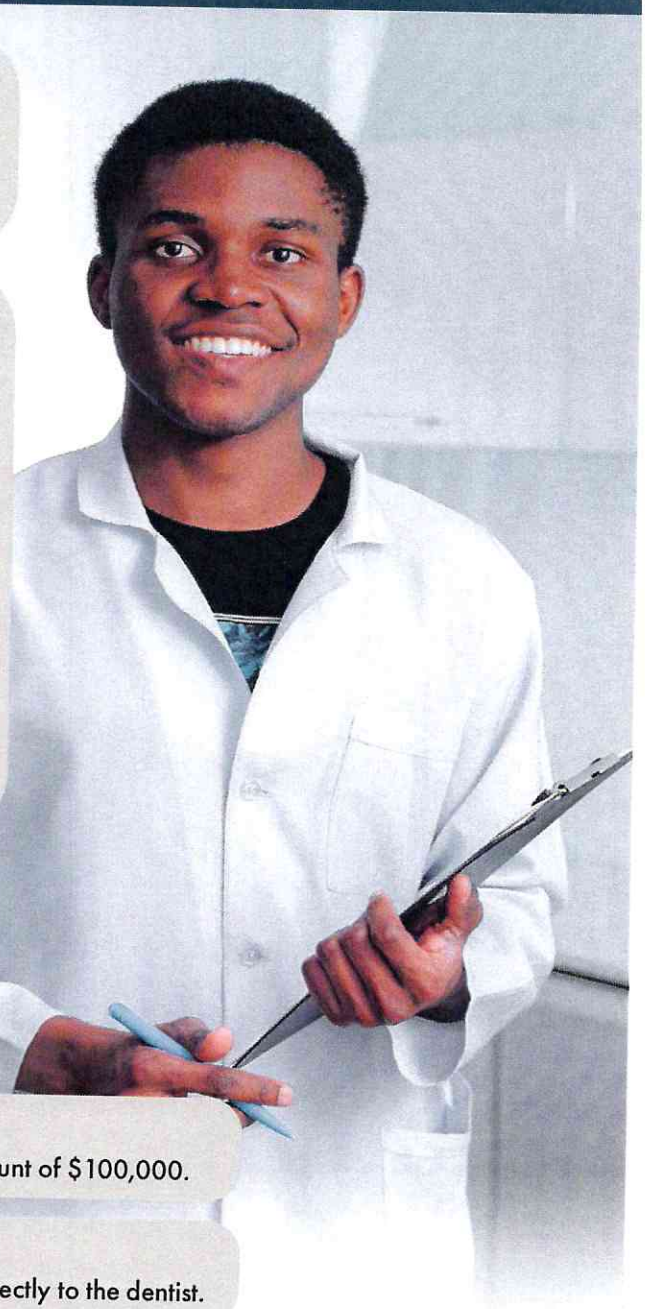
Health & Human Services

NORTH DAKOTA
Health Service Corps

# ND Dental Loan Repayment Program

## ND Dental Loan Repayment Program

The State of North Dakota has established a loan repayment program for dentists who shall provide dental services in the cities or surrounding areas, or both, which the State Health Council identifies as having a defined need for dental services.



## Provider Eligibility

The applicant must:

- be fully licensed to practice in North Dakota and available to begin by July 1;
- accept Medicare and Medicaid patients; and
- be employed full-time providing direct patient care in the appropriate settings, no more than 8 hours of a full-time provider's weekly hours will be spent on administrative duties.

A dentist selected for loan repayment who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state must:

- have received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or
- have practiced at least two full workdays per week at a public health clinic or a nonprofit dental clinic that uses a sliding fee schedule for patient billing.

## Eligible Disciplines

General/Pediatric Dentistry (DDS, DMD)

## Service Commitment

The service obligation is 5 years (full-time).

## Financial Benefits

Providers enter into a service agreement for 5 years with a total award amount of $100,000.

## Payment

Payments are made at the conclusion of each 12-month period of service directly to the dentist.

## Where Providers Serve

Dentists must serve a public health clinic, practice with a focus on an underserved population, or a nonprofit clinic.

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North Dakota Health Service Corps
ND Health Care Professional Loan Repayment Program

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Health & Human Services

**ND Tribal Scholarships/Grants**

Sisseton Wahpeton Oyate Higher Education Program (information obtained from website)

- Students paid according to per credit hour earned
- Incentive award amount approved by council per fiscal year

Standing Rock Tribal Department of Education Scholarship Program (information from website)

- Amt not to exceed $3,500 per semester or $2,333 per quarter undergraduate

Spirit Lake Nation (information from website and Cankdeska Cikana Community College)

- Varies - Award TBD based on available funding

Three Affiliated Tribes (information from Nueta Hidatsa Sahnish College)

- TAT Chairman's Office
  - Up to $4,500/sem
- TAT Higher Education
  - Up to $2,500
- TAT 477
  - $1,000

Turtle Mountain Band of Chippewa Scholarship Program (information from Turtle Mtn. Community College)

- $1,000 per semester ($1,500 in 2022-23 due to extra funding)

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# Summary of Proposed Action
# State Board of Higher Education
# Meeting – January 26, 2023

1. **Issue:** The NDUS is working with legislators and the Governor's office on the 2023-25 NDUS budget request. The budget presentations by Vice Chair Mihalick, the Chancellor and NDUS staff, and the 11 campus CEOs have gone exceptionally well and achieved their purpose: we collectively expressed NDUS appreciation for current and past legislative and executive branch support, but, all have highlighted areas where the system needs more help, and asked the legislators to help problem solve the shortfalls. With the publication of the Governors proposals and in light of MN initiative it is important to seek additional support for several additional sources of funding, including support for the tuition portion of the pay raise; support for compensation adjustments; support for the impacts of past inflation on operational budgets; and to make adjustments to the minimum amount payable.

2. **Proposed actions:** Approve the revised 2023-25 NDUS budget initiatives as presented.

3. **Background information:** The SBHE approved the 2023-25 NDUS legislative budget request on June 30, 2022. The budget as approved included support to work with the legislature and the Governors offices on the proposed compensation package and inflationary considerations for the NDUS entities. The budget initiatives below now include specific funding requests for the inflationary request and the compensation package proposed in the Governors executive budget recommendation. In addition, in working with legislators and the Institution Presidents we are now requesting a change in the minimum amount payable from a 96% level to a 98% level. A new request for support of the Governors recommended salary equity program of $40 million for NDUS entities with NDUS request for tuition portion covered with general funds.

   <u>Revised 2023-25 NDUS legislative request:</u>

   - Original request: SBHE supports the Governor and Legislative Assembly providing a minimum 5% annual salary increase for each year of the biennium and supports general funds to offset the tuition portion of the compensation package. Revised request: Requesting State to cover the Governors recommended compensation package(6%/4% salary and health insurance) including the tuition related increase of $43.5M.
   - NDUS requests additional $12.3M to cover tuition cost of Governors proposed equity plan for employees. Total of $40M across the NDUS.
   - SBHE supports an NDUS inflationary increase of 7.5% on the funding formula; $40.9M; BSC-$2.4M; DCB-$0.7M; LRSC-$1M; NDSCS-$2.4M; WSC-$0.9M; DSU-$1.6M; MaSU-$1.5M; MiSU-$3.2M; VCSU-$1.9M; NDSU-$9.8M; UND/SMHS-$15.7M).
   - Restore minimum amount payable at 98% of prior biennium base funding.
     a. Original request: 96% - $5.2M ($0.6M LRSC; $2.6M NDSCS; $2.1M NDSU)
     b. 98% - $9.2M ($0.2M BSC; $0.9M LRSC; $3.3M NDSCS; $4.8M NDSU)

| Investments (General Fund Optional Adjustment Requests) | Total NDUS Request |
|---|---|
| **Systemwide Projects / Initiatives** | **General Fund** |
| Workforce Education Innovation Grant Program - one-time | $ 24,000,000 |
| Education Scholarships for Energy Workforce - one-time | 10,000,000 |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - base | 3,640,624 |
| Veterans Program - base | 177,000 |
| Dakota Digital Academy - one-time | 450,000 |
| Systemwide Marketing Program - one-time | 900,000 |
| Forest Service - Cooperative Fire Protection Initiative - One-time | 187,000 |
| Forest Service - Forest recreation enhancement - One-time | 200,000 |
| **NDUSO - Student Grants** | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 |
| Financial Aid Systems - Licensing & Maintenance($1,554,354 implementation - One-time; $273,180 annual cost - Base) | 1,827,534 |
| **NDUSO - System Security & Research** | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations Center - Base | 4,800,000 |
| CTS - $2M Data Warehouse and Predictive Analytics | 2,000,000 |
| Assistant Vice Chancellor - Research and Workforce - Base | 425,000 |
| **Investments (Optional Adjustment Requests)** | **$ 49,607,158** |

- SBHE supports Capital Building funds, Challenge Grant program, Research funding stream and a Higher Education Stabilization fund.

4. **Financial implications:** Detailed above.

5. **Legal/policy issues:** None

6. **Academic issues:** None

7. **Coordination:** Institutions

8. **Attachments:** None

9. **Contact information:** David Krebsbach, Vice Chancellor for Administrative Affairs/CFO 701-328-4116, david.krebsbach@ndus.edu

10. **Chancellor's recommendation:** Chancellor Hagerott recommends approval

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UNIVERSITY SYSTEM

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## Top 5 Program Enrollments, by Institution, for Fall 2022 Term

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| Bismarck State College | Non-Degree | Liberal Arts/Gen Studies | Energy Management (BAS) | Cybersecurity & Computer Networks | Nursing |
| Dakota College at Bottineau | Non-Degree | Liberal Arts/Gen Studies | Pre-Nursing | Practical Nursing | Small Business Management |
| Lake Region State College | Non-Degree | Liberal Arts/Gen Studies | Pre-Nursing | Ag Farm Business Management | Business Administration |
| ND State College of Science | Non-Degree | Liberal Arts/Gen Studies | Electrical Technology | Diesel Technology | Agriculture |
| Williston State College | Non-Degree | Liberal Arts/Gen Studies | Business Management | Pre-Nursing | Practical Nursing |
| Dickinson State University | Non-Degree | Business Administration | Elementary Education | Exercise Science | Practical Nursing |
| Mayville State University | Non-Degree | Elementary Education | Business Administration | Early Childhood Education | Phy Ed Teaching |
| Minot State University | Non-Degree | Nursing | Business Management | General Studies | Criminal Justice |
| Valley City State University | Non-Degree | Elementary Education | Business Administration | Education | Fisheries & Wildlife |
| North Dakota State University | Nursing | Mechanical Engineering | Business Administration | Human Development & Family Science | Psychology |
| University of North Dakota | Commericial Aviation | Non-Degree | Nursing | Mechanical Engineering | Psychology |

# North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | | House Changes to Executive Budget Increase (Decrease) - Executive Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 | (4.00) | ($211,768) | ($82,198) | ($293,966) |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 | | | | 0 | | (1,940,770) | (723,804) | (2,664,574) |
| Health insurance increase | | 496,486 | 242,398 | 738,884 | | | | 0 | | (496,486) | (242,398) | (738,884) |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | | | 0 | | (1,000,000) | | (1,000,000) |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | | | 0 | | (444,677) | | (444,677) |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) | | | | 0 | | | 1,500,000 | 1,500,000 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | | | 0 | | (177,000) | | (177,000) |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | | | 0 | | (273,180) | | (273,180) |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 | | | | 0 | | (2,500,000) | | (2,500,000) |
| Adds funding for the general fund Capitol rent model | | 143,625 | | 143,625 | | | | 0 | | (143,625) | | (143,625) |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | | | 0 | | 2,187,368 | | 2,187,368 |
| Total ongoing funding changes | 4.00 | $5,000,138 | ($451,600) | $4,548,538 | 0.00 | $0 | $0 | $0 | (4.00) | ($5,000,138) | $451,600 | ($4,548,538) |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding from the legacy earnings fund for the higher education challenge grant program | | | $50,000,000 | $50,000,000 | | | | $0 | | | ($50,000,000) | ($50,000,000) |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 | | | | 0 | | (3,640,624) | | (3,640,624) |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | | | 0 | | (1,554,354) | | (1,554,354) |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | | | 0 | | (450,000) | | (450,000) |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 | | | | 0 | | | (10,000,000) | (10,000,000) |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | | | 0 | | (10,000,000) | | (10,000,000) |
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 | 0.00 | $0 | $0 | $0 | 0.00 | ($15,644,978) | ($60,000,000) | ($75,644,978) |
| **Total Changes to Base Level Funding** | 4.00 | $20,645,116 | $59,548,400 | $80,193,516 | 0.00 | $0 | $0 | $0 | (4.00) | ($20,645,116) | ($59,548,400) | ($80,193,516) |
| **2023-25 Total Funding** | 162.83 | $137,543,592 | $85,305,435 | $222,849,027 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | (4.00) | ($20,645,116) | ($59,548,400) | ($80,193,516) |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(1.8%)* | *3.2%* | *0.0%* | *0.0%* | *0.0%* | *0.0%* | | | | |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *231.2%* | *56.2%* | *0.0%* | *0.0%* | *0.0%* | *0.0%* | | | | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. | |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. | |
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | |
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| Project management oversight | Section 10 would require 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. | |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | |
| Transfer authority | Section 12 would provide 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 assets. | Section 5 would provide 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 assets. |
| FTE positions | Section 13 would authorize 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. | Section 6 would authorize 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. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. | Section 4 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. | |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects. | |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. | |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including $480,000 for the LRSC wind turbine replacement, $900,000 for the DSU agriculture and technical education building, $3,779,100 for the MaSU Old Main renovation, $765,000 for the MiSU Dakota Hall demolition, and $3.7 million for the DCB Old Main renovation, is from SIIF. | |

UNIVERSITY OF NORTH DAKOTA

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# UND National Security Initiative

**Description:**
Enhancements of the Center for Space Education and Research that expand on existing as well as planned investments from the University and the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences would greatly benefit North Dakota, the region, and the U.S. UND continues its investment in its National Security Initiative (NSI) to expand the university's capacity to pursue, secure, and execute projects with federal agencies including the Department of Defense (DoD) and Department of Homeland Security (DHS). The NSI has generated numerous opportunities in research, training, and education for a broad range of colleges, schools, programs, faculty, and undergraduate and graduate students. The NSI is expected to continue to expand opportunities in these areas for the foreseeable future. The first phase of the NSI focused on space-related activities, building on established expertise in UAS/Autonomy and mobility in the air domain into a cohesive Surface-Air-Space (SAS) domain, integrating ground vehicles, airborne assets, and satellite architectures like the constellation in development by the Space Development Agency (SDA) as well as partner companies.

The second phase of the NSI will continue to align with UND's 6-year planned investment of $7.5M in strategic funding to advance National Security Research activities. This phase will expand the focus of the NSI to address topics that cut across the SAS domain in areas such as Virtual Reality (VR), Cyber Security, High-Speed Optical Communication, and physical spaces to perform meaningful experiments and system testing in a variety of environmental conditions. These resources would position UND, and the state of North Dakota, to effectively support National Security agencies and industries that are actively operating in the state (such as SDA, Grand Forks Air Force Base (GFAFB), North Spark Defense Lab, and the United States Space Force), and to entice additional partners to establish a presence here. The envisioned capabilities support research activities starting with the Vice President of Research & Economic Development, the Research Institute for Autonomous Systems, the John D. Odegard School of Aerospace Sciences (Space Studies, Atmospheric Sciences, and Aviation departments), the College of Engineering and Mines (Electrical Engineering & Computer Science and Mechanical Engineering departments), and the College of Arts & Sciences (Chemistry, Mathematics, Physics & Astrophysics, and Psychology/Human Factors departments).

**Expected Outcome:**
Expansion of the NSI is designed to increase federal funding from the DoD and DHS. A conservative funding target is an annual increase of $3M in research expenditures from these two agencies, building on a baseline established in FY22 (~$2.5M)—over a 100% increase. The Center will help attract star research faculty and staff in national-security-related fields to include graduate students and post-doctoral researchers. These efforts will drive development of new capabilities that ensure U.S. National Security preeminence, while supporting key partners in the region (industry, the GFAFB, etc.) through technology development and technology transfer/economic development. Enhancement of our innovation ecosystem would further fortify its importance to the nation, especially for SAS (autonomous) systems/capabilities, including key resources (e.g., the GFAFB). While primarily a research initiative, the NSI will substantively refresh academic programs. Enhancement of this center will deliver more educational opportunities online and on-campus with state-of-the-art technology and research labs. It will foster high-tech workforce development in key emerging areas at both undergraduate and graduate levels, increase opportunities for student engagement in hands-on and applied research and training opportunities, and assist with growth and diversification of the ND state economy, especially in the high demand, rapidly growing high-tech sector.

**Connection to Existing Program:**
This project will continue to support existing and growing programs and research in national-security-related fields in the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences and leverage ongoing strategic investments from the University. The National Security Initiative supports Goal 4 of the UND Strategic Plan (to Enhance Research) and puts an action to the UND Grand Challenges of Autonomous Systems and Big Data. These two Grand Challenges encompass areas of research and education identified by UND as priorities critical to the state and areas in which we are nationally competitive.

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| Infrastructure Project | Description | Estimated Cost |
|---|---|---|
| High-Speed Laser for Optical Communications | Ultrafast, powerful, high-speed lasers will be acquired and installed in Witmer Hall and the Tech Accelerator. This will position UND to respond to Department of Defense, including United States Space Force (USSF), opportunities--many of which are focused on optical communications. It will also expand partnership opportunities with commercial entities. Another benefit is it will enable research with materials that are otherwise unavailable, leveraging recent investments in the nanofoundry. | 5,000,000 |
| Satellite and Space Debris Tracking | A series of antennas would be installed and used to collect data to track satellites and space debris. This facility would allow for both student projects and faculty research, including the analysis of satellite and space object data, development of advanced tracking software, and development and testing of new antennas and sensors. | 2,000,000 |
| Molecular Beam Epitaxy | Molecular Beam Epitaxy is the state-of-the-art methodology for constructing single crystals with precisely controlled composition. Its principal use is for the development of semiconductor devices on the nanoscale. Because the device operates under ultrahigh vacuum conditions, high purity, defect-free devices can be built that are inaccessible by other means. This allows access to unique materials and devices, including organic semiconductors and various quantum materials (including quantum wells and superlattices); MBEs are used in the search for high temperature superconductors and artificially layered magnetic materials. DARPA has identified 3D heterogeneously integrated (3DHI) technologies as the key objective to enable disruptive microsystems of tomorrow. It further states that without this technology, the US will fall behind in artificial intelligence, autonomous systems and robotics, and networked sensing. | 2,000,000 |
| Digital Engineering and Virtual Reality - DREAM Laboratory | This investment will create the Digital Realism in Engineering and the Applied Metaverse (DREAM) and establish UND as the institutional lead. The partnership consists of four major academic and industry collaborators: UND, NVIDIA Corp., Lenovo USA, and the Ohio Supercomputing Center (OSC). DREAM will expand existing UND-based Artificial Intelligence (AI) and Virtual Reality (VR) projects. This growing UND research capacity addresses clear needs of national defense labs to reproduce reality as high-fidelity virtual spaces (aka Digital Twins). Such Metaverse environments allow for the integration of human physical training into virtual combat spaces while simultaneously providing the capability to generate synthetic data for use in training digital bots for real-world military missions via AI and Machine Learning (ML) algorithms. | 6,500,000 |
| Cyber Range | This investment will create a cloud-based cross-disciplinary training tool that training students to manage cyber security attacks in a variety of scenarios. It is a very immersive experience provide performance-based learning and assessment, an environment for teams to work together to improve teamwork, and simulate on-the-job experiences related to Security Operations (SecOps) and Development Operations (DevOps). | 1,000,000 |
| Cybersecurity Research Infrastructure | This investment will create a stand-alone network with infrastructure to enable researchers to test cybersecurity tools and techniques on a production-like environment. This system will also allow advanced system integration for cybersecurity research on development platforms to create networks and tools for future cyber security techniques. This tool will support established research activities and lead to more research opportunities from federal agencies and private sector corporate partners. | 2,000,000 |
| 3D Rocket Laboratory | This would create a laboratory for designing, fabricating, and testing novel 3D rocket engine designs, injectors, and turbopumps. This includes novel materials for improved heat transfer and performance at high temperatures and would enable testing of materials that could be utilized in Lunar and Martian missions. | 1,500,000 |
| Controlled Environment Field-Testing Facility | This would create an indoor, GPS-enabled, testing facility for systems (e.g., drones, autonomous ground vehicles, etc.). Such a facility enables testing in a controlled environment that mitigates all safety concerns regarding non-participants and significantly improves testing capabilities during inclement weather. It also supports testing with GPS (as opposed to most facilities that block GPS), which is critical for many systems. Such a facility would enable testing of both ground and airborne systems. | 6,500,000 |
| Autonomous System Environment Development and Test Facility | UND has a long history of research excellence in autonomous systems, particularly with Unmanned Aircraft Systems. Collaborators across the campus have coalesced around this topic with significant success in generating external partnerships and ongoing funding. As autonomous systems take up increasing tasks, it is critical to increase reliability and the ability to operate in a variety of conditions, including wind, rain, fog, dust, and so forth. The design of robust autonomous systems that are resilient to these conditions is a critical need, as is the need to test existing and proposed autonomous systems in these environments. This effort aims to establish a common area in which researchers from across campus can work to design, develop, fabricate, and test robust and reliable autonomous systems in the harsh environments that they will experience in practice. We propose to renovate an existing facility to house fabrication and testing labs for small to medium sized autonomous systems, office space for data processing, autonomous algorithm development, cybersecurity research, and public policy research. This facility will also house a full environmental testing facility that can subject autonomous systems to environmental conditions in a controlled way. | 18,500,000 |

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# UND Space Education and Research Infrastructure

ND House of Representatives: Appropriations-Education and Environment Division
25 January 2023

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# National Security Initiative (NSI) Overview

- Grand Challenge
  - Strategic investment/opportunity areas
- Personnel
  - Strong, integrated team from across campus
  - Assoc. Vice President for Research
  - Adding Director and 8 faculty
- Core Capabilities
  - Space, Autonomy/Counterautonomy, Materials (inc. Micro/Nano), Quantum Tech., Rare Earth Elements
- Strategic Partnerships
  - Grand Forks Air Force Base, Grand Sky, Northern Plains UAS Test Site, Industry
- Serve those who serve

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# Nanofoundry

- Renovation of 1,000 sq. ft. facility with cleanroom is well under way.
- Will soon launch a search for a full-time technician (funded by UND).
- We are working to foster collaborations with industry partners.
- Raith (E-Beam) is planning a story about our investment. In the context of the CHIPS act, they think that our story will inspire other institutions.

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# Advanced UAV & Satellite Material Lab

- $1 million in instruments have been ordered, including a thermogravimetric analyzer, gas chromatogram – mass spectrometer, electron microscope, particle size analyzer, etc.
- Lab renovations are in the design phase
- These instruments, along with several existing instruments, will be operated as a cost center and made available for use by industry partners

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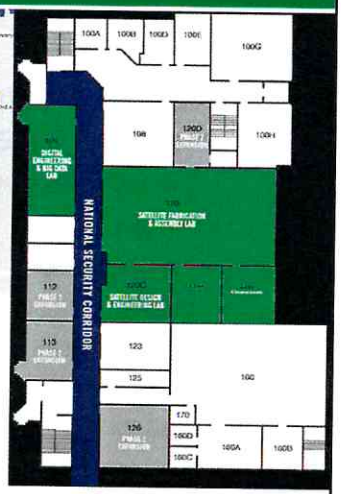
# National Security Corridor

- Harrington Hall (1st floor)
  - Satellite Subsystem Development Lab
  - Cleanroom Assembly
  - Satellite Assembly & Test
  - Digital Engineering & Big Data Lab

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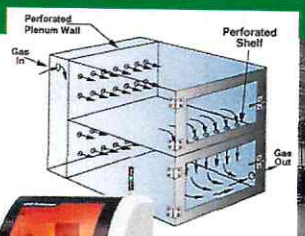
# Satellite Component Assembly & Cleanroom

- Cleanroom
  - HEPA air handling, Vestibule, Nitrogen purge cabinet
- Satellite Component Design
  - Component fabrication, PCB fabrication equipment, Precision 3D printers, Solder/rework stations



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# Final Satellite Assembly & Test

- Components
  - Space Systems Fabrication, Assembly, & Testing
    - Thermal/vacuum chamber
    - Shaker table
    - Laser cutter
    - Water cutter
    - Anechoic chamber
    - Millimeter wave antenna chamber

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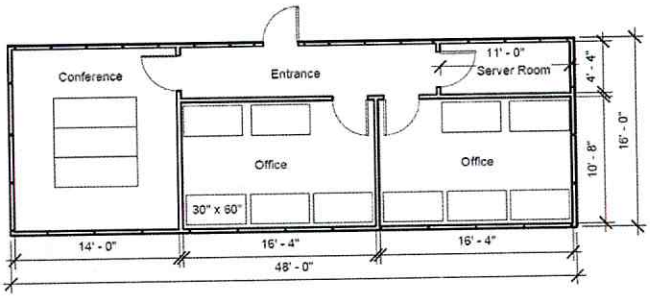
# Secure Compartmental Information Facility (SCIF)

- Secure rooms for classified discussions/research

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# National Security Corridor Update

- Most equipment has been purchased/ready for installation
  - Some pieces of equipment are not yet delivered, but expected late spring.
- SCIF: Have an estimate. Expected to complete late summer.
- Renovation of Harrington Hall will begin late February. Expected to conclude late summer.
- Companies and government organizations are excited about the National Security Corridor and are ready to partner with us—examples include:
  - National Reconnaissance Office
  - Northrop Grumman
  - Packet Digital

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# Space Operations Update

- Space Operations Center/Classroom in Robin Hall - 95%
- Satellite Communications and Tracking
  - Odegard Hall Roof
  - Network connected
- Small Sat Build/Launch

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# Expenditures Update

| | Estimated Cost | Expenses posted | Encumbrances | Committed | Total |
|---|---|---|---|---|---|
| | | | | | |
| Satellite Operation Center | 1,000,000 | 116,322 | 0 | 883,678 | **1,000,000** |
| Digital Engineering and Big Data | 300,000 | 168,070 | 557,675 | 52,238 | **777,983** |
| Satellite Design and Engineering Lab | 300,000 | 172,809 | 97,000 | 30,191 | **300,000** |
| Satellite Fabrication and Assembly Lab, including Clean Room | 2,400,000 | 120,871 | 2,508,684 | | **2,629,555** |
| Advanced UAV and Satellite Material Lab | 5,700,000 | 2,006,073 | 5,084,901 | 401,488 | **7,492,462** |
| Neutral Buoyancy Tank | 1,200,000 | | | | **0** |
| Sensitive Compartmented Information Facility (SCIF) | 1,500,000 | | | 600,000 | **600,000** |
| Satellite and Space Debris Tracking | 900,000 | | | | **0** |
| Laboratory Configuration | 1,200,000 | | | 1,200,000 | **1,200,000** |
| | | | | | |
| | ***14,500,000** | **2,584,145** | **8,248,260** | **3,167,595** | **14,000,000** |

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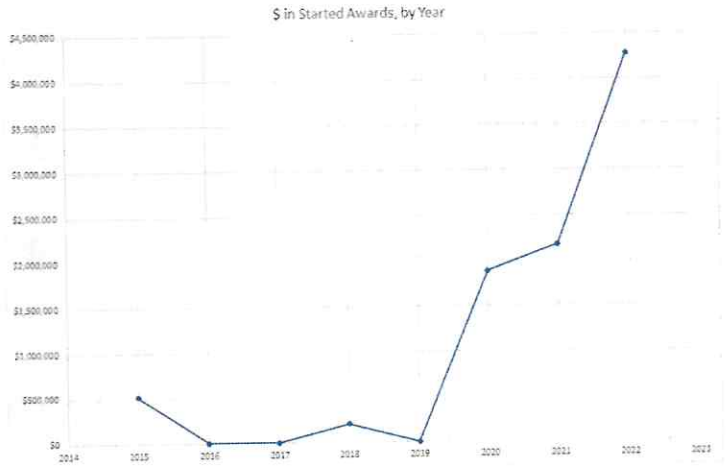
# NSI Focus Impacts

- $ in started awards for Dept. of Defense
  - Dept. Homeland Security and EERC efforts not in chart
- Impact of focus on NSI
  - Do not have estimates for Space Education and Research Infrastructure investment impact yet
    - In progress
- Potential $50M-100M $yr^{-1}$

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# Space Future: Where UND Can Go From Here

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## Autonomous System Environment Development & Test Facility

- Critical needs
  - Rapid development
  - Controlled environmental testing (rain, fog, snow, etc.)
- Operational Context ↔ Simulation ↔ Laboratory ↔ Field Testing

- Integrated capability & controlled environment accelerate realization
  - Autonomous systems development factory

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# Controlled Environment Field-Testing Facility

- Inflatable Dome for Space Station/Lunar/Mars Habitat and UAS Testing
- Allows Communication and GPS Reception
- Year-Round Availability
- Revenue Generating (Commercial UAS, Sports, Events)

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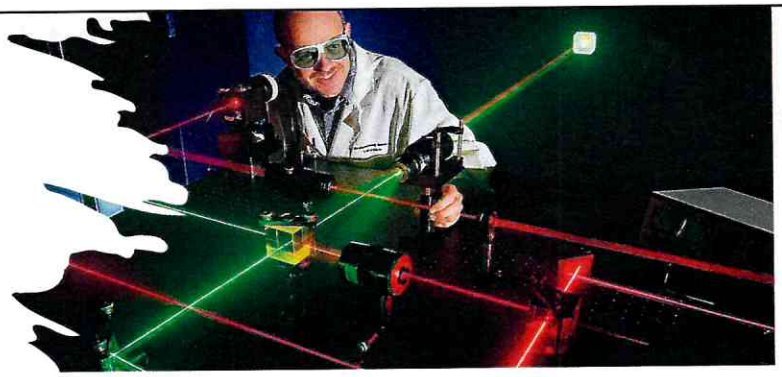
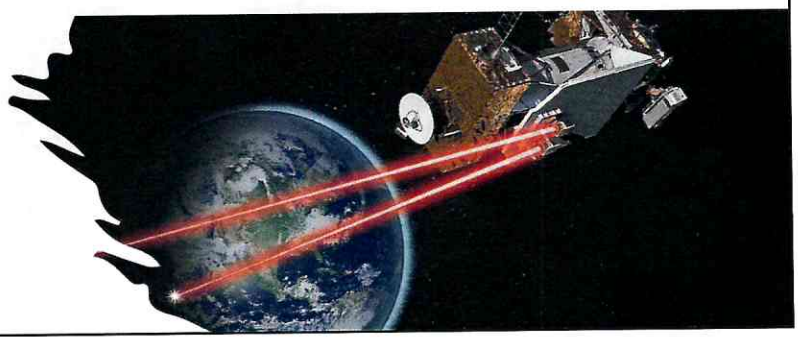
# High-Speed Laser for Optical Communications

- Consistent message from Space Force and other potential space research partners:
  - Need fast, reliable, secure communication with high transmission rates in space.
  - Laser (optical) communications.
  - Communication spacecraft-spacecraft; spacecraft-aircraft; spacecraft-ground.

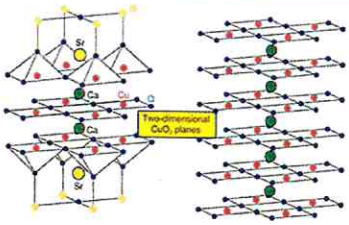



# Molecular Beam Epitaxy

Create complex 2D and 3D semiconducting devices on the nanoscale.

Ultrahigh vacuum allows fabrication of devices that are not possible by any other means.

According to the Defense Advanced Research Projects Agency, such devices are essential for next-generation advances in artificial intelligence, autonomous systems and robots, and networked sensing.




(a) $Bi_2Sr_2Ca_nCu_nO_{...}$ (b) Infinite-layer $CaCuO_2$

Bi: bismuth, Ca: calcium, Cu: copper, O: oxygen, Sr: strontium

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# Satellite and Space Debris Tracking

- Space debris is a growing problem
- Placement of active RADAR on the roof of academic buildings allow us to detect and track debris
- Development of novel machine learning/deep learning models can identify small and distant objects

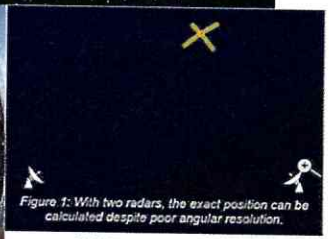

*Figure 1: With two radars, the exact position can be calculated despite poor angular resolution.*

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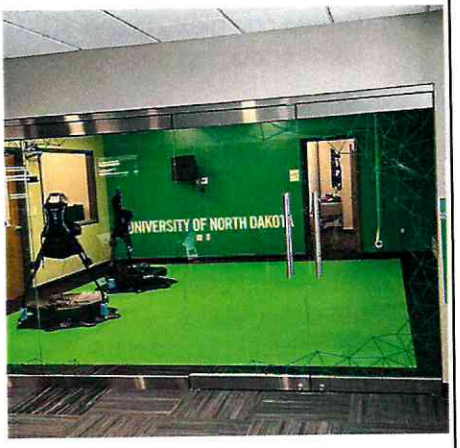
# Digital Engineering & Virtual Reality – DREAM Laboratory

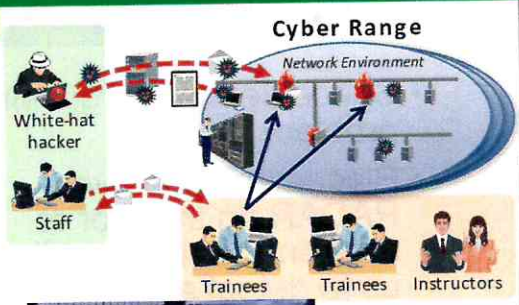
- The Partnership for **D**igital **R**ealism in **E**ngineering and the **A**pplied **M**etaverse (**DREAM**) – partners: NVIDIA, Lenovo, Ohio Supercomputing Center
  - NVIDIA/Lenovo OVX Double-Pod
  - New/upgraded servers/cluster to support data processing
  - Data Center power/cooling/infrastructure upgrade
  - DGX Pod
  - Upgraded display workstations, VR headsets, VR treadmills, motion capture




UND UNIVERSITY OF NORTH DAKOTA NATIONAL SECURITY

# Cyber Security Training & Research

- Cyber Range
  - Cloud-based resource to train cyber professionals to: Create and test different strategies, Master skills and techniques, Strengthen execution
- Cyber Research Infrastructure
  - Computational and stand-alone Network resources to develop novel and effective approaches to solve cyber security problems



UND UNIVERSITY OF NORTH DAKOTA NATIONAL SECURITY

# 3D-Printed Rocket Components Lab

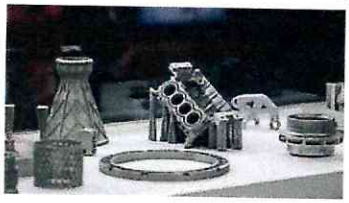
Will allow us to design, fabricate, and/or test:
- Novel 3D-printed rocket engine designs, injectors and turbopumps
- Engine material coatings for improved heat transfer
- Lunar and Martian metals for 3D-printed motors
- High-temperature performance of nanodevices

Will experiment with liquid and solid rocket boosters, potential to reach

Potential to partner with Grand Sky.

Development of the Space Workforce.

Currently 85 students in the UND Advanced Rocketry Club.



UND UNIVERSITY OF NORTH DAKOTA
NATIONAL SECURITY

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

# ND Higher Education Challenge Grant Fund

**Total of Funds Awarded, both Private + State, by biennium as of June 30, 2022:**

| Biennium | State Challenge Fund Awards | Private Donations Submitted for Match | Total Project Amount (State + Private) |
|---|---|---|---|
| 2013-15 | 28,050,473 | 56,423,457 | 84,473,930 |
| 2015-17 | 22,124,500 | 45,200,354 | 67,324,854 |
| 2017-19 | 2,000,000 | 6,101,111 | 8,101,111 |
| 2019-21 | 9,650,000 | 20,353,349 | 30,003,349 |
| 2021-23 | 9,508,159 | 19,022,650 | 28,530,809 |
| **Grand Total** | **72,168,203** | **148,863,493** | **221,031,696** |

2021-23 total appropriation is $11,150,000.

## ND Higher Education Challenge Grant Fund
## Balances Remaining

| Institution | Total Available per NDCC 15-10-48 & 49 and SB2030 | Regular Funding | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Awarded 11/18/2021 | Awarded 3/24/2022 | Awarded 6/24/2022 | Awarded 9/26/2022 | Awarded 1/23/2023 | Grand Total Awarded | Remaining Available |
| BSC | $ 950,000 | $ 205,079 | $ 377,792 | $ 60,770 | $ 267,678 | $ 38,681 | $ 950,000 | $ - |
| DCB | 350,000 | $ - | $ 99,385 | $ 31,603 | $ - | $ 216,554 | 347,542 | $ 2,458 |
| DSU | 700,000 | $ 225,250 | $ 376,500 | $ 98,250 | $ - | $ - | 700,000 | $ - |
| LRSC | 350,000 | $ 140,699 | $ 167,348 | $ 19,982 | $ 21,971 | $ - | 350,000 | $ - |
| MaSU | 700,000 | $ 107,785 | $ 404,562 | $ - | $ 68,450 | $ 119,203 | 700,000 | $ - |
| MiSU | 950,000 | $ 488,076 | $ 246,874 | $ 64,400 | $ 91,825 | $ 58,825 | 950,000 | $ - |
| NDSCS | 950,000 | $ 181,500 | $ 309,000 | $ 149,550 | $ 61,833 | $ 248,117 | 950,000 | $ - |
| NDSU | 1,700,000 | $ - | $ 1,700,000 | $ - | $ - | $ - | 1,700,000 | $ - |
| UND | 1,700,000 | $ 1,474,915 | $ 175,000 | $ 50,085 | $ - | $ - | 1,700,000 | $ - |
| VCSU | 700,000 | $ 106,308 | $ 470,760 | $ - | $ - | $ 91,973 | 669,041 | $ 30,959 |
| WSC | 350,000 | $ - | $ - | $ 350,000 | $ - | $ - | 350,000 | $ - |
| UND School of Law | 250,000 | $ - | $ 250,000 | $ - | $ - | $ - | 250,000 | $ - |
| UND SMHS | 1,500,000 | $ - | $ 476,000 | $ 700,686 | $ 323,314 | $ - | 1,500,000 | $ - |
| | **$ 11,150,000** | **$ 2,929,612** | **$ 5,053,221** | **$ 1,525,326** | **$ 835,071** | **$ 773,353** | **$ 11,116,583** | **$ 33,417** |

NORTH DAKOTA UNIVERSITY SYSTEM

ACCESS. INNOVATION. EXCELLENCE.

# Student Financial Assistance Programs

## Revised January 20, 2023

| Program Name | 2019-21 | 2021-23 | 2023-25 Request |
|---|---|---|---|
| Student Financial Assistance Program (ND State Grant) | $ 23,917,306 | $ 23,917,306 | $ 23,917,306 |
| North Dakota Scholars Program | 1,807,115 | 1,807,115 | 1,807,115 |
| Academic/CTE/ND Scholarships | 12,016,749 | 16,216,749 | 17,216,749 |
| North Dakota Indian Scholarship Program | 555,323 | 555,323 | 1,000,000 |
| Professional Student Exchange Program (PSEP) | 3,699,342 | 3,699,342 | 3,699,342 |
| Education Incentive Programs | 510,000 | 260,000 | 260,000 |
| Dual Credit Tuition Scholarship | 0 | 1,500,000 | 0 |
| ND Career Builders - Skilled Workforce Scholarship and Loan Repayment | 6,000,000 | 4,500,000 | 0* |
| **Total** | **$48,505,835** | **$52,455,835** | **$47,900,512** |

*ND Career Builders Skilled Workforce Scholarship and Loan Repayment program are continuing appropriation. As of January 8, 2023, it is anticipated the ND Career Builders Skilled Workforce Scholarship is anticipated to be fully expended before the 2023-25 biennium concludes and the ND Career Builders Skilled Workforce Loan Repayment program is anticipated to have $852,593 remaining at the end of 2023-25.

## Introduced Bills related to Financial Aid Programs

- HB1030 – provides clarification and adjustments to various financial aid programs.
- HB1031– Student Financial Aid Grant Assistance, increase student grants from $1,100 to $1,600 per semester, increases appropriation by $12 million from $23.9 million to $35.9 million; Academic and Career and Technical Education Scholarship, increases appropriation by $1 million, from $16.2 million to $17.2 million; and Dual Credit Tuition Scholarship, appropriates $1.5 million from BND profits.
- HB1032 – High Demand Certificate Programs, appropriation of $1 million.
- HB1240 – ND Career Builders - Adds final 2 years of teacher education program as eligible program for scholarship and allows public funds as match. $2 million appropriation from legacy earnings.
- HB1305 – Incorporates additional scholarship requirements in high school.
- HB1382 – Adds eligibility for the Academic/CTE/ND scholarships for apprenticeship programs. Fiscal impact is $399,000.

NO • HB1451 – Increases the amount of the Academic/CTE/ND scholarship to $10,000 maximum, $1,250/sem. or $833/qtr. Includes $5.6 million general fund appropriation.

+ 1,000,000 • HB1470 – Back-to-College Grant for students aged 25 or older who have not received a first degree. Includes $1 million general fund appropriation.

+ 3,000,000 • SB2033 – Creates teacher shortage loan forgiveness program administered by DPI. $3 million general fund appropriation.

• SB2127 – Behavioral health student loan repayment program at DHHS. $377,600 general fund + $510,400 community health trust fund.

+ 10,000,000 • SB2197 – Re-energize ND scholarship for oil industry workers & dependents. $10 million general fund.

NOT HEd • SB2287 – Adds eligibility for registered nurses to receive loan repayment administered by DHHS. Includes a $.5 million general fund appropriation.

+2,000,000 • SB 2270 – Student teacher grant. No appropriation/fiscal note. Administered by DPI.

33,400,000 • Challenge Grant.

## North Dakota University System

| Cost of 6%/4% Increase in Executive Budget Compensation Recommendations | | | | |
|---|---|---|---|---|
| Institution | 2023-25 Exec. Rec. General Funds 6%/4% Salary Increase | 2023-25 Estimated Tuition Funds 6%/4% Salary Increase | 2023-25 Estimated Other Funds 6%/4% Salary Increase | 2023-25 General, Tuition, and Other Funds 6%/4% Salary Increase |
| BSC | $ 1,568,234 | $ 1,358,384 | $ 1,781,758 | $ 4,708,376 |
| LRSC | 619,558 | 496,635 | 660,559 | $ 1,776,752 |
| WSC | 575,935 | 323,273 | 692,644 | $ 1,591,852 |
| UND | 7,399,304 | 10,579,933 | 20,997,396 | $ 38,976,633 |
| SMHS | 3,368,540 | 1,862,296 | 4,655,330 | $ 9,886,166 |
| NDSCS | 1,432,777 | 871,431 | 1,581,405 | $ 3,885,613 |
| NDSU | 6,139,826 | 11,643,666 | 14,386,106 | $ 32,169,598 |
| DSU | 985,120 | 890,097 | 674,623 | $ 2,549,840 |
| MaSU | 871,718 | 530,062 | 1,394,529 | $ 2,796,309 |
| MiSU | 1,937,822 | 1,679,776 | 2,311,578 | $ 5,929,176 |
| VCSU | 1,010,261 | 730,977 | 833,358 | $ 2,574,596 |
| DCB | 477,519 | 219,287 | 372,276 | $ 1,069,082 |
| CTS | 1,397,241 | - | 702,056 | $ 2,099,297 |
| NDUSO | 543,529 | - | 21,748 | $ 565,277 |
| Forest Svc | 311,995 | - | 8,672 | $ 320,667 |
| Total All | $ 28,639,379 | $ 31,185,817 | $ 51,074,038 | $ 110,899,234 |

| Cost of Health Insurance Increase in Executive Budget Compensation Recommendations | | | | |
|---|---|---|---|---|
| Institution | 2023-25 Exec. Rec. General Funds Health Insur. Increase | 2023-25 Estimated Tuition Funds Health Insur. Increase | 2023-25 Estimated Other Funds 6%/4% Salary Increase | 2023-25 General, Tuition, and Other Funds Health Insur. Increase |
| BSC | $ 635,445 | $ 601,496 | $ 351,256 | 1,588,197 |
| LRSC | 257,641 | 204,725 | $ 124,030 | 586,396 |
| WSC | 189,961 | 124,727 | $ 147,664 | 462,352 |
| UND | 1,956,044 | 3,850,668 | $ 4,796,803 | 10,603,515 |
| SMHS | 862,571 | 479,499 | $ 894,243 | 2,236,313 |
| NDSCS | 694,903 | 413,833 | $ 368,984 | 1,477,720 |
| NDSU | 2,381,176 | 4,725,979 | $ 2,594,203 | 9,701,358 |
| DSU | 371,674 | 406,256 | $ 67,357 | 845,287 |
| MaSU | 365,207 | 299,961 | $ 414,597 | 1,079,765 |
| MiSU | 779,976 | 738,459 | $ 428,447 | 1,946,882 |
| VCSU | 563,746 | 382,547 | $ 144,257 | 1,090,550 |
| DCB | 190,658 | 113,313 | $ 81,773 | 385,744 |
| CTS | 386,404 | - | $ 237,254 | 623,658 |
| NDUSO | 110,082 | - | $ 5,144 | 115,226 |
| Forest Svc | 128,594 | - | $ 5,144 | 133,738 |
| Total All | $ 9,874,082 | $ 12,341,463 | $ 10,661,156 | $ 32,876,701 |

| Tuition Funds, Salary, and Health Insurance Increases | | | | |
|---|---|---|---|---|
| Institution | 2023-25 Estimated Tuition Funds 6%/4% Salary Increase | 2023-25 Estimated Tuition Funds Health Insur. Increase | Total Tuition and Other Funds 6%/4% Salary Increase and Health Insur. Increase | Estimated Tuition Incr. for Salary & Health Insur. |
| BSC | $ 1,358,384 | $ 601,496 | $ 1,959,880 | 4.48% |
| LRSC | 496,635 | 204,725 | $ 701,360 | 6.00% |
| WSC | 323,273 | 124,727 | $ 448,001 | 5.18% |
| UND | 10,579,933 | 3,850,668 | $ 14,430,602 | 3.58% |
| SMHS | 1,862,296 | 479,499 | $ 2,341,795 | 4.32% |
| NDSCS | 871,431 | 413,833 | $ 1,285,264 | 4.68% |
| NDSU | 11,643,666 | 4,725,979 | $ 16,369,645 | 5.11% |
| DSU | 890,097 | 406,256 | $ 1,296,353 | 5.76% |
| MaSU | 530,062 | 299,961 | $ 830,023 | 4.53% |
| MiSU | 1,679,776 | 738,459 | $ 2,418,234 | 4.99% |
| VCSU | 730,977 | 382,547 | $ 1,113,524 | 4.73% |
| DCB | 219,287 | 113,313 | $ 332,600 | 3.46% |
| CTS | - | - | $ - | |
| NDUSO | - | - | $ - | |
| Forest Svc | - | - | $ - | |
| Total All | $ 31,185,817 | $ 12,341,463 | $ 43,527,280 | 3.5% - 6% |

| NDUS 2023-25 Biennial Tuition Revenue Increases Generated from Annual Rate Increases (constant enrollment levels) | |
|---|---|
| | 1% / Year |
| BSC | $ 435,355 |
| DCB | 95,963 |
| DSU | 223,341 |
| LRSC | 116,042 |
| MASU | 182,491 |
| MiSU | 482,075 |
| NDSCS | 268,271 |
| NDSU | 2,984,018 |
| NDSU Phar. | 199,985 |
| UND | 3,885,578 |
| UND-Law | 123,479 |
| UND-Med | 540,946 |
| VCSU | 234,168 |
| WSC | 85,991 |
| Total | $ 9,857,703 |

## North Dakota University System

## Cost of Equity Package in Executive Budget Compensation Recommendations

| Institution | 2023-25 Estimated Equity General Funds Package | 2023-25 Estimated Equity Tuition Funds Package | 2023-25 Estimated Equity Other Funds Package | 2023-25 Estimated Equity Tuition and Other Package | Annual Tuition Incr. for Equity |
|---|---|---|---|---|---|
| BSC | $ 851,932 | $ 537,846 | $ 314,086 | **$ 1,703,865** | 1.23% |
| LRSC | 337,263 | 210,022 | 127,240 | **$ 674,525** | 1.81% |
| WSC | 287,791 | 131,779 | 156,012 | **$ 575,583** | 1.53% |
| UND | 6,742,643 | 3,002,459 | 3,740,184 | **$ 13,485,286** | 0.75% |
| SMHS | 1,942,905 | 678,163 | 1,264,743 | **$ 3,885,810** | 1.25% |
| NDSCS | 785,913 | 415,470 | 370,443 | **$ 1,571,826** | 1.55% |
| NDSU | 5,763,291 | 3,720,835 | 2,042,455 | **$ 11,526,581** | 1.17% |
| DSU | 462,889 | 397,057 | 65,832 | **$ 925,778** | 1.78% |
| MaSU | 455,106 | 191,047 | 264,059 | **$ 910,213** | 1.05% |
| MiSU | 1,091,391 | 690,670 | 400,721 | **$ 2,182,782** | 1.43% |
| VCSU | 494,204 | 358,874 | 135,330 | **$ 988,408** | 1.53% |
| DCB | 178,429 | 103,638 | 74,791 | **$ 356,858** | 1.08% |
| CTS | 516,991 | | 516,991 | **$ 1,033,981** | |
| NDUSO | 137,742 | | 137,742 | **$ 275,485** | |
| Forest Svc | 78,962 | | 78,962 | **$ 157,924** | |
| **Total All** | $ 20,127,452 | $ 10,437,861 | $ 9,689,591 | **$ 40,254,904** | 0.8% - 1.8% |

NORTH DAKOTA UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

**Summary of Undesignated Appropriated Reserves as of June 30, 2022**

**SBHE Policy 810.1 (2 a). Undesignated Reserve:By June 30, 2014, colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7% of the previous fiscal years' actual general fund and net tuition revenue.**

| | Schedules Prepared by the Campuses (September 2022) | | | | |
|---|---|---|---|---|---|
| | Undesignated Appropriated Reserves as of 6/30/2022 | | | | |
| | Required Amount (5%-7% FY21 GF & Net Tuition Revenue) | Actual Undesignated Approp Reserves 6/30/22 | Undesignated Reserve Percentage (Calculated on 6/30/21 GF and Net Tuition Revenue) | Designated Approp Reserves 6/30/22 | Total Approp Reserves 6/30/22 |
| BSC | $1.5 - $2.1 million | $2,069,179 | 6.9% | $7,251,656 | $9,320,835 |
| LRSC | $536,200-$750,700 | $750,749 | 7.0% | $1,085,358 | $1,836,107 |
| WSC | $390,300-$546,400 | $546,442 | 7.0% | $1,075,326 | $1,621,768 |
| UND | $9.7 - $13.6 million | $10,000,000 | 5.1% | $71,678,155 | $81,678,155 |
| SMHS | $2.6 - $3.7 million | $3,652,035 | 7.0% | $24,031,122 | $27,683,157 |
| NDSU | $8.7 - $12.1 million | $12,130,254 | 7.0% | $32,371,348 | $44,501,602 |
| NDSCS | $1.3 - $1.8 million | $1,830,911 | 7.0% | $6,951,405 | $8,782,316 |
| DSU | $0.9 - $1.3 million | $1,250,549 | 7.0% | $2,078,922 | $3,329,471 |
| MaSU | $699,600-$979,500 | $979,493 | 7.0% | $3,732,965 | $4,712,458 |
| MiSU | $1.7 - $2.4 million | $2,433,847 | 7.0% | $4,675,360 | $7,109,207 |
| VCSU | $0.9 - $1.3 million | $1,293,142 | 7.0% | $2,956,198 | $4,249,340 |
| DCB | $317,300-$444,200 | $444,196 | 7.0% | $1,323,341 | $1,767,537 |
| | | $37,380,797 | | $159,211,156 | $196,591,953 |

① Int Audit
② FTE's - 10 last biennium
③ 4 this biennium

Red Tape:

Prepared by the Legislative Council staff
January 2023

| Challenge Grant Proposal | | |
|---|---|---|
| Institution | 2021-23 Actual | 2023-25 Proposed |
| BSC | 950,000 | 3,000,000 |
| LRSC | 350,000 | 1,000,000 |
| WSC | 350,000 | 1,000,000 |
| UND | 1,700,000 | 5,000,000 |
| UND-Law | 250,000 | - |
| UND SMHS | 1,500,000 | 4,500,000 |
| NDSU | 1,700,000 | 5,000,000 |
| NDSCS | 950,000 | 3,000,000 |
| DSU | 700,000 | 2,000,000 |
| MaSU | 700,000 | 2,000,000 |
| MiSU | 950,000 | 3,000,000 |
| VCSU | 700,000 | 2,000,000 |
| DCB | 350,000 | 1,000,000 |
| Total | 11,150,000 | 32,500,000 |

**Minnesota/North Dakota**
**2020-2021 Tuition Reciprocity**
**TOTALS**

| North Dakota Institutions | Undergrad FYEs | Graduate FYEs | Prof FYEs |
|---|---|---|---|
| Bismarck State College | 18.13 | - | - |
| Dickinson State University | 7.37 | - | - |
| Mayville State University | 104.97 | - | - |
| Minot State University | 35.50 | - | - |
| NDSCS-Wahpeton | 450.67 | - | - |
| Dakota College at Bottineau | 4.60 | - | - |
| NDSU-Fargo | 4,776.43 | 193.29 | - |
| UND-Grand Forks | 2,705.47 | 444.08 | - |
| Lake Region State College | 33.77 | - | - |
| UND-Williston | 0.33 | - | - |
| Valley City State University | 134.07 | - | - |
| TOTALS | 8,271.30 | 637.38 | - |

| Minnesota Institutions | UnderGrad FYEs | Graduate FYEs | Prof FYEs |
|---|---|---|---|
| Bemidji State University | 9.00 | - | - |
| Vermilion Community College | 0.90 | - | - |
| Itasca Community College | 1.73 | - | - |
| MN State University, Mankato | 27.03 | 2.88 | - |
| MN State University Moorhead | 911.53 | 133.46 | - |
| Southwest MN State University | 6.03 | 0.13 | - |
| St Cloud State University | 42.67 | 2.42 | - |
| Northland Cmty & Tech College | 564.83 | - | - |
| University of MN-Duluth | 62.77 | 6.33 | - |
| University of MN-Morris | 19.80 | - | - |
| MN State College-SE Technical | 2.93 | - | - |
| Winona State University | 3.47 | 0.50 | - |
| University of MN-Twin Cities | 252.20 | 30.00 | 6.08 |
| Mesabi Range Cmty & Tech College | 0.23 | - | - |
| University of MN-Crookston | 84.33 | - | - |
| Ridgewater College | 3.97 | - | - |
| MN West Cmty & Tech College | 1.43 | - | - |
| St Paul College | 0.53 | - | - |
| St Cloud Technical College | 2.73 | - | - |
| Pine Technical College | 0.07 | - | - |
| MN State Cmty & Tech College | 362.90 | - | - |
| Alexandria Technical College | 0.10 | - | - |
| Lake Superior College | 4.47 | - | - |
| NW Technical College-Bemidji | 1.20 | - | - |
| Rainy River Community College | 0.87 | - | - |
| Normandale Community College | 0.63 | - | - |
| Metro State University | 3.03 | - | - |
| TOTALS | 2,371.40 | 175.71 | 6.08 |

## 2021-22 Tuition and Fees

| State | Tuition and Fees | | | |
|---|---|---|---|---|
| | Doctoral | Masters | 4-Year | 2-Year |
| **North Dakota:** | | | | |
| BSC | | | | 5,928 |
| LRSC | | | | 5,000 |
| WSC | | | | 5,645 |
| UND | 10,596 | | | |
| NDSU | 10,401 | | | |
| NDSCS | | | | 5,345 |
| DSU | | | 9,118 | |
| MaSU | | | 7,622 | |
| MiSU | | 8,163 | | |
| VCSU (excl notebook fee $700) | | | 8,195 | |
| DCB | | | | 5,173 |
| **North Dakota Average** | **10,499** | **8,163** | **8,312** | **5,418** |
| | | | | |
| **South Dakota:** | | | | |
| Southeast Technical College | | | | 7,650 |
| Mitchell Technicial Collge | | | | 6,840 |
| Western Dakota Technical College | | | | 7,470 |
| Lake Area Technical College | | | | 6,718 |
| Blak Hills State University | | 8,763 | | |
| Dakota State University | | 9,632 | | |
| Northern State University | | | 8,844 | |
| South Dakota State University | 9,299 | | | |
| University of South Dakota | 9,432 | | | |
| **South Dakota Average** | **9,366** | **9,198** | **8,844** | **7,170** |
| **NDUS Average Rate difference from South Dakota Average Rates** | **1,133** | **(1,035)** | **(532)** | **(1,751)** |

# 2021-22 Tuition and Fees

| State | Tuition and Fees | | | |
|---|---|---|---|---|
| | Doctoral | Masters | 4-Year | 2-Year |
| **Minnesota:** | | | | |
| Bemidji State Univ | | 9,806 | | |
| Metropolitan State Univ | | 9,395 | | |
| Minnesota State Univ-Mankato | | 9,146 | | |
| Minnesota State Univ-Moorhead | | 9,468 | | |
| St Cloud State Univ | | 9,170 | | |
| Southwest Minnesota State Univ | | 9,482 | | |
| Winona State Univ | | 10,184 | | |
| U of Minnesota-Crookston | | | 12,514 | |
| U of Minnesota-Duluth | | 13,850 | | |
| U of Minnesota-Morris | | | 13,848 | |
| U of Minnesota-Twin Cities | 15,254 | | | |
| Alexandria Tech & Community College | | | | 5,910 |
| Anoka Tech. College | | | | 6,075 |
| Anoka Ramsey community college | | | | 5,515 |
| Central Lakes College | | | | 5,954 |
| Century College | | | | 5,907 |
| Dakota County Technical college | | | | 6,208 |
| Fond du Lac Tribal and Community College | | | | 5,815 |
| Hennepin Tech. College | | | | 5,741 |
| Hibbing Community College | | | | 5,773 |
| Inver Hills Community College | | | | 5,809 |
| Itasca Community College | | | | 5,788 |
| Lake Superior College | | | | 5,616 |
| Mesabi Range College | | | | 5,788 |
| Minneapolis Community & Tech. College | | | | 5,906 |
| Minnesota State Community and Technical College | | | | 5,862 |
| Minnesota West Community & Technical College | | | | 6,286 |
| Normandale Community College | | | | 5,387 |
| Northland Community & Technical College | | | | 6,052 |
| Northwest Technical College | | | | 6,380 |
| Pine Technical & Community College | | | | 5,610 |
| Rainy River Community College | | | | 5,788 |
| Ridgewater College | | | | 5,915 |
| Riverland Community College | | | | 6,060 |
| Rochester Community & Technical College | | | | 6,124 |
| Saint Paul College | | | | 6,041 |
| South Central College | | | | 5,966 |
| St. Cloud Technical & Community College | | | | 5,874 |
| Vermilion Community College | | | | 5,788 |
| **Minnesota Average** | **15,254** | **10,063** | **13,181** | **5,856** |
| **NDUS Average Rate difference from Minnesota Average Rates** | **(4,756)** | **(1,900)** | **(4,869)** | **(438)** |

Table 12

## Headcount by Residency and Tuition Residency Status

Fall 2022

| Residency Status | BSC | DCB | LRSC | NDSCS | WSC | DSU | MaSU | MiSU | VCSU | NDSU | UND | NDUS Total Duplicated | NDUS Total Unduplicated | Percent of Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Resident** | | | | | | | | | | | | | | |
| North Dakota | 3,100 | 927 | 1,359 | 2,133 | 685 | 899 | 774 | 1,644 | 1,204 | 4,991 | 5,343 | 23,059 | 22,322 | 52.6% |
| North Dakota Military | 67 | 24 | 69 | 28 | 2 | | 6 | 218 | 20 | 370 | 1,185 | 1,989 | 1,963 | 4.6% |
| Alumni Dependent | | | | | | | | 1 | 1 | 52 | 7 | 61 | 60 | 0.1% |
| **Resident Total** | **3,167** | **951** | **1,428** | **2,161** | **687** | **899** | **780** | **1,863** | **1,225** | **5,413** | **6,535** | **25,109** | **24,345** | **57.7%** |
| **Non Resident** | | | | | | | | | | | | | | |
| Minnesota Reciprocity | 21 | 2 | 51 | 450 | | 10 | 84 | 58 | 124 | 4,851 | 2,842 | 8,493 | 8,286 | 19.5% |
| Minnesota Professional | | | | | | | | | | 109 | 101 | 210 | 210 | 0.5% |
| Contiguous | 66 | 9 | 18 | 66 | 109 | 333 | 39 | 219 | 45 | 235 | 280 | 1,419 | 1,393 | 3.3% |
| Midwest Higher Ed[19] | 86 | 6 | 71 | 199 | 14 | 24 | 80 | 53 | 47 | 513 | 573 | 1,666 | 1,614 | 3.8% |
| Western Exchange[31] | 147 | 34 | 27 | 34 | 41 | 155 | 68 | 250 | 142 | 193 | 561 | 1,652 | 1,616 | 3.8% |
| International | 14 | 59 | 41 | 1 | 35 | 30 | 23 | 141 | 11 | 720 | 712 | 1,787 | 1,763 | 4.2% |
| Non Resident | 270 | 19 | 43 | 31 | 38 | 22 | 49 | 193 | 64 | 208 | 2,272 | 3,209 | 3,179 | 7.5% |
| **Non Resident Total** | **604** | **129** | **251** | **781** | **237** | **574** | **343** | **914** | **433** | **6,829** | **7,341** | **18,436** | **18,061** | **41.5%** |
| **Institution Total** | **3,771** | **1,080** | **1,679** | **2,942** | **924** | **1,473** | **1,123** | **2,777** | **1,658** | **12,242** | **13,876** | **43,545** | **42,406** | 100.0% |

**Note:** Tuition Residency Status in this table reflects student status in Campus Solutions.

# Table 8
# Undergraduate Headcount by State
## Fall 2022

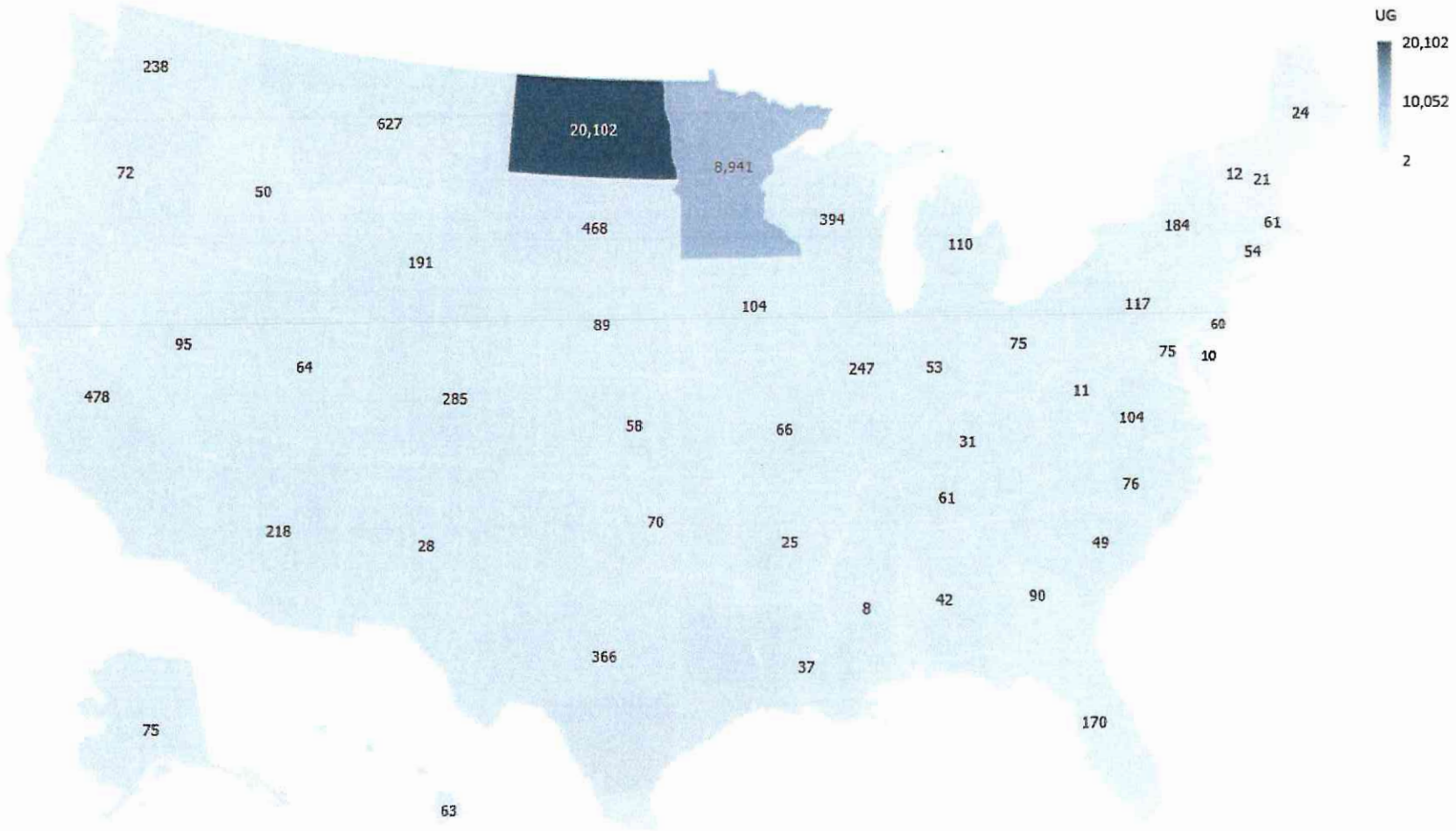
| | Two Year Colleges | | | | | Regional Universities | | | | Research Universities | | NDUS Total | NDUS Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| State | BSC | DCB | LRSC | NDSCS | WSC | DSU | MASU | MISU | VCSU | NDSU | UND | Duplicated | Unduplicated |
| Alabama | 4 | 1 | | 1 | | | 3 | 2 | 2 | | 29 | 42 | 42 |
| Alaska | 7 | 2 | | 1 | | 10 | 1 | 3 | 15 | 11 | 26 | 76 | 75 |
| Arizona | 24 | 1 | 1 | 3 | | 19 | 12 | 52 | 8 | 18 | 83 | 221 | 218 |
| Arkansas | 8 | 2 | 1 | | 1 | | 1 | 2 | 1 | | 11 | 27 | 25 |
| California | 15 | 2 | 13 | 5 | 4 | 25 | 18 | 66 | 12 | 46 | 285 | 491 | 478 |
| Colorado | 23 | 11 | 2 | 8 | 2 | 6 | 3 | 37 | 11 | 18 | 166 | 287 | 285 |
| Connecticut | 9 | 1 | | 1 | | | | | | 2 | 41 | 54 | 54 |
| Delaware | 1 | | 1 | | | | | | | 2 | 6 | 10 | 10 |
| District of Columbia | | | | | | | | 1 | | | 1 | 2 | 2 |
| Florida | 15 | 2 | 7 | 2 | 5 | 3 | 9 | 26 | 9 | 20 | 77 | 175 | 170 |
| Georgia | 12 | 1 | 1 | | | 2 | 2 | 9 | 4 | 8 | 52 | 91 | 90 |
| Hawaii | 1 | | 2 | 1 | | 1 | 2 | 9 | 12 | 2 | 35 | 65 | 63 |
| Idaho | 4 | 1 | | 1 | 2 | 4 | 4 | 2 | 2 | 5 | 29 | 54 | 50 |
| Illinois | 14 | | 4 | 7 | | 5 | 3 | 8 | 5 | 42 | 163 | 251 | 247 |
| Indiana | 4 | | | 4 | | | | 2 | | 5 | 38 | 53 | 53 |
| Iowa | 7 | | | 1 | | 2 | 2 | 4 | 2 | 39 | 47 | 104 | 104 |
| Kansas | 2 | | 3 | | 1 | | 2 | 1 | | 11 | 39 | 59 | 58 |
| Kentucky | 3 | 1 | | | | | 1 | | 1 | 1 | 24 | 31 | 31 |
| Louisiana | 10 | 1 | | 1 | | | 1 | 1 | 2 | 2 | 19 | 37 | 37 |
| Maine | 3 | | 1 | | | | | | | 2 | 18 | 24 | 24 |
| Maryland | 4 | 1 | | 1 | | | 2 | 8 | 2 | 2 | 55 | 75 | 75 |
| Massachusetts | 5 | 2 | | | 2 | 1 | | | | 1 | 50 | 61 | 61 |
| Michigan | 16 | 1 | | | 1 | 1 | 2 | 7 | 1 | 4 | 77 | 110 | 110 |
| Minnesota | 52 | 3 | 108 | 660 | 4 | 13 | 147 | 68 | 156 | 5,018 | 2,965 | 9,194 | 8,941 |
| Mississippi | 1 | | 1 | | | | 1 | 1 | | | 4 | 8 | 8 |
| Missouri | 8 | 1 | 3 | 1 | 1 | | | 5 | 1 | 7 | 40 | 67 | 66 |
| Montana | 34 | 6 | 8 | 23 | 88 | 269 | 14 | 65 | 7 | 44 | 79 | 637 | 627 |
| Nebraska | 9 | 1 | 3 | 4 | | 10 | 1 | 1 | 2 | 25 | 33 | 89 | 89 |
| Nevada | 6 | 3 | 1 | 2 | 4 | 12 | 11 | 17 | 3 | 4 | 32 | 95 | 95 |
| New Hampshire | 2 | 1 | | | | | | 2 | | 1 | 15 | 21 | 21 |
| New Jersey | 3 | | | 1 | 1 | | 1 | 2 | 2 | 2 | 50 | 62 | 60 |
| New Mexico | 4 | 1 | | | | 1 | | 3 | 1 | 1 | 17 | 28 | 28 |
| New York | 56 | | 2 | 1 | 4 | 2 | 2 | 2 | 1 | 8 | 109 | 187 | 184 |
| North Carolina | 5 | 1 | 1 | | 1 | 1 | 3 | 1 | 1 | 6 | 58 | 78 | 76 |
| **NORTH DAKOTA** | **3,159** | **951** | **1,431** | **2,116** | **740** | **895** | **740** | **1,802** | **1,104** | **4,248** | **3,661** | **20,847** | **20,102** |
| Ohio | 8 | | 1 | 10 | | | 1 | 3 | 1 | 4 | 48 | 76 | 75 |
| Oklahoma | 25 | 1 | 6 | | | | | 3 | 1 | 3 | 31 | 70 | 70 |
| Oregon | 6 | 2 | | | 1 | | 2 | 8 | 1 | 10 | 43 | 73 | 72 |
| Pennsylvania | 13 | 1 | | | | 1 | 1 | 7 | 9 | 2 | 84 | 118 | 117 |
| Rhode Island | 2 | | | | | 1 | | 1 | | | 7 | 11 | 10 |
| South Carolina | 5 | 1 | | 1 | | | 2 | 2 | 2 | 1 | 36 | 50 | 49 |
| South Dakota | 38 | 4 | 4 | 48 | 2 | 39 | 13 | 17 | 21 | 196 | 111 | 493 | 468 |
| Tennessee | 3 | 2 | | | | 1 | 2 | 2 | 2 | 6 | 43 | 61 | 61 |
| Texas | 45 | 3 | 10 | 4 | 7 | 6 | 6 | 15 | 19 | 16 | 239 | 370 | 366 |
| Utah | 14 | 2 | 2 | 4 | 5 | 3 | 1 | 9 | 2 | 4 | 19 | 65 | 64 |
| Vermont | 3 | | | | | | | | | | 9 | 12 | 12 |
| Virginia | 9 | | 1 | 1 | | 1 | 2 | 1 | 1 | 6 | 84 | 106 | 104 |
| Washington | 23 | 2 | 1 | 3 | 4 | 7 | 6 | 18 | 9 | 12 | 155 | 240 | 238 |
| West Virginia | 3 | | | | | | | 1 | | | 7 | 11 | 11 |
| Wisconsin | 12 | 3 | 4 | 15 | | 1 | 6 | 9 | 2 | 152 | 196 | 400 | 394 |
| Wyoming | 14 | 2 | 5 | 4 | 1 | 43 | 8 | 10 | 60 | 7 | 44 | 198 | 191 |
| APO[3] AE/AP | 3 | | | | | | 1 | 2 | | 1 | 20 | 27 | 27 |
| Canada | 10 | 50 | 15 | 2 | 29 | 6 | 19 | 121 | 17 | 10 | 67 | 346 | 340 |
| Guam | 1 | | | | | | | | 1 | | 1 | 3 | 3 |
| Puerto Rico | | | | | | | | | | | 1 | 1 | 1 |
| Other International | 4 | 9 | 36 | 1 | 14 | 20 | 19 | 92 | 6 | 54 | 240 | 495 | 480 |
| Unknown | | | | 4 | | | | | | 7 | 9 | 20 | 20 |
| **Institution Total** | **3,771** | **1,080** | **1,679** | **2,942** | **924** | **1,411** | **1,077** | **2,530** | **1,521** | **10,096** | **9,928** | **36,959** | **35,832** |

**Method Note:** Home state reported by student.

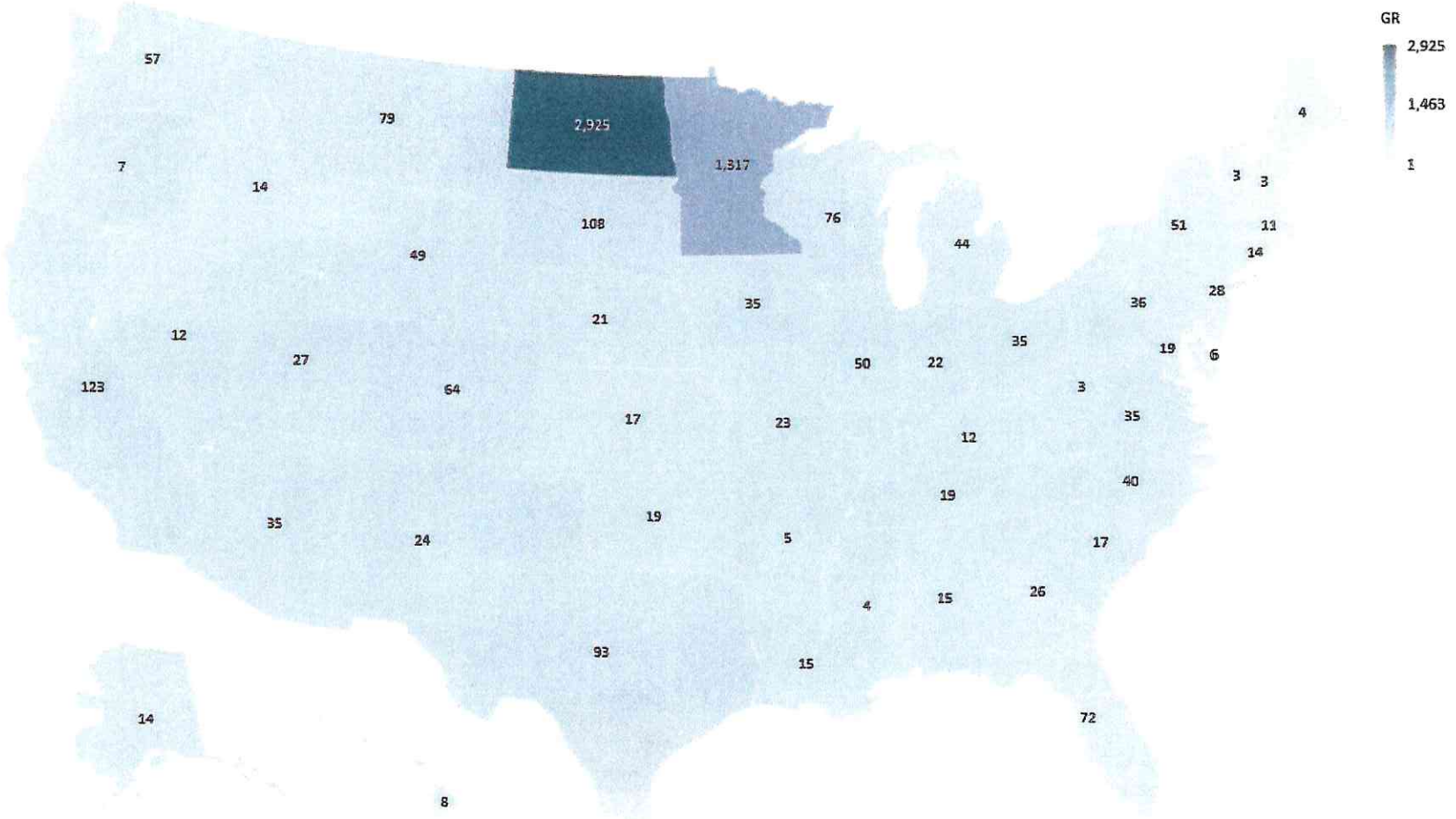
# Table 9
# Graduate and Professional Headcount by State
## Fall 2022

| State | Regional Universities | | | | Research Universities | | NDUS Total Duplicated | NDUS Total Unduplicated |
|---|---|---|---|---|---|---|---|---|
| | DSU | MASU | MISU | VCSU | NDSU | UND | | |
| Alabama | | | 1 | | | 14 | 15 | 15 |
| Alaska | 1 | | | | 2 | 11 | 14 | 14 |
| Arizona | | | | | 6 | 29 | 35 | 35 |
| Arkansas | | | | 1 | | 4 | 5 | 5 |
| California | 4 | 1 | 14 | | 17 | 87 | 123 | 123 |
| Colorado | | 1 | 5 | | 10 | 48 | 64 | 64 |
| Connecticut | | | | | 2 | 12 | 14 | 14 |
| Delaware | | | | | 1 | 5 | 6 | 6 |
| District of Columbia | | | | | 1 | | 1 | 1 |
| Florida | 1 | | 4 | | 7 | 60 | 72 | 72 |
| Georgia | | | | 1 | 5 | 20 | 26 | 26 |
| Hawaii | | | | | | 8 | 8 | 8 |
| Idaho | 1 | | | | 4 | 9 | 14 | 14 |
| Illinois | | | 2 | | 13 | 35 | 50 | 50 |
| Indiana | | | 1 | | 9 | 12 | 22 | 22 |
| Iowa | | | 1 | | 12 | 22 | 35 | 35 |
| Kansas | | | | | 6 | 11 | 17 | 17 |
| Kentucky | | | 2 | | 2 | 8 | 12 | 12 |
| Louisiana | | | | | 2 | 13 | 15 | 15 |
| Maine | | | | 1 | | 3 | 4 | 4 |
| Maryland | | | | | 2 | 17 | 19 | 19 |
| Massachusetts | | | 1 | | 4 | 6 | 11 | 11 |
| Michigan | | | 9 | | 5 | 30 | 44 | 44 |
| Minnesota | 2 | 8 | 13 | 11 | 444 | 840 | 1,318 | 1,317 |
| Mississippi | | | | | | 4 | 4 | 4 |
| Missouri | 1 | | 1 | | 5 | 16 | 23 | 23 |
| Montana | 4 | | 7 | 3 | 9 | 56 | 79 | 79 |
| Nebraska | | | | 1 | 10 | 10 | 21 | 21 |
| Nevada | 1 | | 1 | | 1 | 9 | 12 | 12 |
| New Hampshire | | | | 1 | | 2 | 3 | 3 |
| New Jersey | | 1 | | 2 | 3 | 22 | 28 | 28 |
| New Mexico | | | | | 2 | 22 | 24 | 24 |
| New York | | | | | 2 | 49 | 51 | 51 |
| North Carolina | | | 3 | | 4 | 33 | 40 | 40 |
| **NORTH DAKOTA** | **38** | **34** | **114** | **109** | **1,066** | **1,567** | **2,928** | **2,925** |
| Ohio | 1 | | 2 | | 8 | 24 | 35 | 35 |
| Oklahoma | | | | | 3 | 16 | 19 | 19 |
| Oregon | | | | | 1 | 6 | 7 | 7 |
| Pennsylvania | | | 1 | 1 | 6 | 28 | 36 | 36 |
| Rhode Island | | | 1 | | | 2 | 3 | 3 |
| South Carolina | | | | | 2 | 15 | 17 | 17 |
| South Dakota | 4 | | 4 | 1 | 29 | 70 | 108 | 108 |
| Tennessee | | | | | 2 | 17 | 19 | 19 |
| Texas | | | 5 | | 11 | 77 | 93 | 93 |
| Utah | 1 | | | | 5 | 21 | 27 | 27 |
| Vermont | | | | | 1 | 2 | 3 | 3 |
| Virginia | | | | | 2 | 33 | 35 | 35 |
| Washington | | | 3 | | 8 | 46 | 57 | 57 |
| West Virginia | | | | | | 3 | 3 | 3 |
| Wisconsin | 1 | | | | 28 | 47 | 76 | 76 |
| Wyoming | 1 | 1 | 1 | 5 | 2 | 39 | 49 | 49 |
| APO[3] AE/AP | | | 1 | | | 5 | 6 | 6 |
| Canada | | | 42 | | 6 | 69 | 117 | 117 |
| Guam | | | | | | | 0 | |
| Samoa | | | | | | 1 | | 1 |
| Puerto Rico | | | | | 2 | | 2 | 2 |
| Virgin Islands | | | | | | | | |
| Other International | 1 | | 8 | | 368 | 329 | 706 | 705 |
| Unknown | | | | | 6 | 4 | 10 | 10 |
| **Institution Total** | **62** | **46** | **247** | **137** | **2,146** | **3,948** | **6,585** | **6,581** |

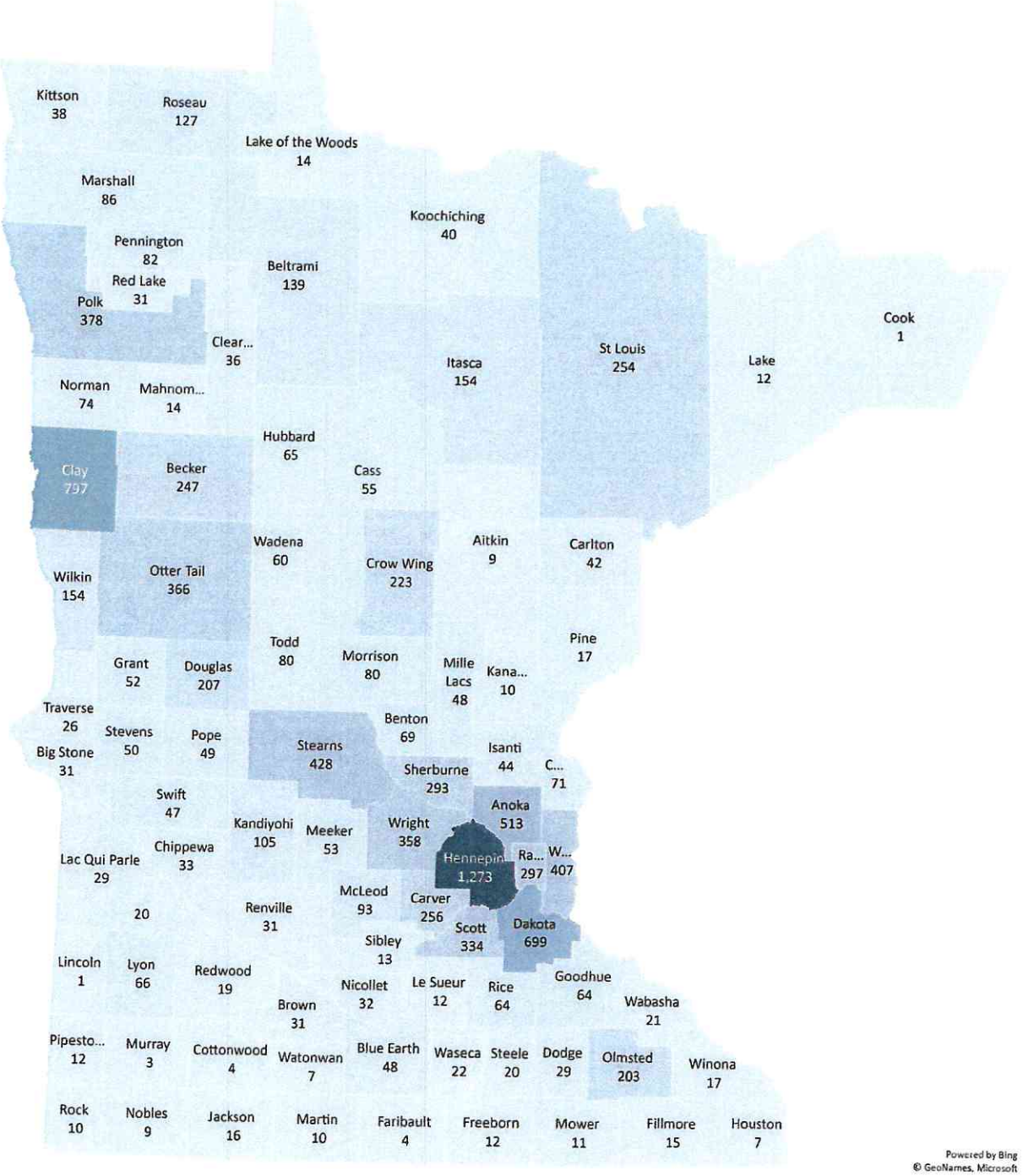
## A3: Undergraduate headcounts by state of origin



## A4: Graduate headcounts by state of origin



## A5: Minnesota headcounts by county of residence



23.0232.01005
Title.

Prepared by the Legislative Council staff for
Representative Martinson
January 26, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 8, after line 5, insert:

"**SECTION 4. APPROPRIATION - STATE BOARD OF HIGHER EDUCATION - INFLATION GRANTS - ONE-TIME FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $21,100,000, or so much of the sum as may be necessary, to the state board of higher education for the purpose of providing passthrough grants for capital project inflationary expenses, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT**

This amendment appropriates $21.1 million of one-time funding from the general fund to the State Board of Higher Education for passthrough grants for capital project inflationary expenses as follows:

| | **Passthrough Grants** |
|---|---|
| Fort Abraham Lincoln Foundation Heritage River Landing | $500,000 |
| Bismarck State College polytechnic building | 10,000,000 |
| Minot children's science center | 1,000,000 |
| Dickinson State University Pulver Hall | 2,600,000 |
| Dakota College at Bottineau Old Main | 2,000,000 |
| Bismarck Gateway to Science | 5,000,000 |
| Total passthrough grants | $21,100,000 |

23.0232.01004
Title.

Prepared by the Legislative Council staff for
Representative Martinson
January 26, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 8, after line 5, insert:

"**SECTION 4. APPROPRIATION - MAYVILLE STATE UNIVERISTY - OLD MAIN RENOVATION - ONE-TIME FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $49,970,100, or so much of the sum as may be necessary, to Mayville state university for the purpose of renovating old main, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT**

This amendment appropriates $49,970,100 of one-time funding from the general fund to Mayville State University for the Old Main renovation project.

## ONE-TIME FUNDING

**SECTION XX. APPROPRIATION – NORTH DAKOTA STATE UNIVERSITY – WORKFORCE EDUCATION - REPORT - ONE-TIME FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $4,800,000, or so much of the sum as may be necessary, to North Dakota state university for the purpose of creating or expanding academic programs, as identified by the North Dakota state university President, that address high demand workforce needs in this state, for the biennium beginning July 1, 2023, and ending June 30, 2025. The funding appropriated in this section may only be used to create or expand academic programs and may not be used for programs that have been closed or reduced since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding appropriated in this section. This funding is considered a one-time funding item.

23.0232.01002
Title.

Prepared by the Legislative Council staff for
Representative Nathe
January 12, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to establish a pilot program;"

Page 8, after line 5, insert:

**"SECTION 4. APPROPRIATION - STUDENT SUPPORT FOR SINGLE MOTHERS - PILOT PROGRAM - ONE-TIME FUNDING - REPORT.**

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $4,500,000, or so much of the sum as may be necessary, to the state board of higher education for the purpose of supporting single mothers, for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. The state board of higher education may provide up to $250,000 to each institution under its control, each tribally controlled community college in this state, the university of Jamestown, and the university of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.

3. An eligible institution in subsection 2 must submit an application to the state board of higher education in order to receive funding under this section. The application must include the institution's plan identifying how the funding would benefit students enrolled at the institution, the estimated number of students impacted, and the estimated cost.

4. A student enrolled at an eligible institution in subsection 2 is eligible for support under this section if the student is residing in this state and is:

   a. An unmarried pregnant individual who is experiencing an unintended pregnancy;

   b. An unmarried mother who experienced an unintended birth while attending the institution; or

   c. An unmarried mother with a child or children under four years of age.

5. Funding awarded under this section may be used for on-campus room and board and the costs of providing on-campus day care for the children of students eligible pursuant to subsection 4.

6. If any available dollars have not been granted to an institution by the board before December 31, 2024, the board may allow institutions in subsection 2 to submit applications for any unused funding for the purposes of this section.

7. The state board of higher education may adopt policies and procedures as necessary to enact this section.

8. The state board of higher education shall report to the legislative management during the 2023-24 interim and to the appropriations

committees of the sixty-ninth legislative assembly regarding the results of this program, including the number of students assisted at each institution.

9. The funding provided in this section is considered a one-time funding item."

Renumber accordingly

23.0232.01006
Title.

Prepared by the Legislative Council staff for
Representative Nathe
January 27, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 8, after line 5, insert:

"**SECTION 4. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA - NATIONAL SECURITY INITIATIVE - ONE-TIME FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $45,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the national security initiative, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT**

This amendment appropriates $45 million of one-time funding from the general fund to the University of North Dakota for the national security initiative as follows:

| | Appropriation |
|---|---|
| High-speed laser for optical communications | $5,000,000 |
| Satellite and space debris tracking | 2,000,000 |
| Molecular beam epitaxy | 2,000,000 |
| Digital engineering and virtual reality laboratory | 6,500,000 |
| Cyber range | 1,000,000 |
| Cybersecurity research infrastructure | 2,000,000 |
| 3D rocket laboratory | 1,500,000 |
| Controlled environment field-testing facility | 6,500,000 |
| Autonomous system environment development and test facility | 18,500,000 |
| Total national security initiative | $45,000,000 |

23.0232.01009
Title.

Prepared by the Legislative Council staff for
Representative Swiontek
February 2, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to severance agreements; to provide for a transfer;"

Page 8, after line 10, insert:

"**SECTION 5. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM - NORTH DAKOTA STATE UNIVERSITY.** Of the funding appropriated from the general fund in subdivision 1 of section 1 of this Act, the state board of higher education shall transfer $400,000 from the system governance line item to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

**SECTION 6.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Severance agreements - Funding.**

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT**

This amendment transfers $400,000 of general fund appropriation authority from the North Dakota University System office's system governance line item to the North Dakota State University operations line item. The amendment also provides for future severance agreements approved by the State Board of Higher Education to be paid from the North Dakota University System office budget.

23.0232.01008
Title.

Prepared by the Legislative Council staff for
Representative Swiontek
February 1, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to a report on higher education trends;"

Page 8, after line 10, insert:

"**SECTION 5.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**State commissioner of higher education - Higher education trends - Report.**

The state commissioner of higher education shall provide an annual report to the legislative management regarding trends in higher education, including state and regional student enrollment, North Dakota university system institution reserves, state and regional tuition rates, state and regional student financial assistance, and how the North Dakota university system is responding to trends and changes, including new or expanded educational programs, closed programs, and future budget requests."

Renumber accordingly

23.0232.01011
Title.

Prepared by the Legislative Council staff for
Representative Swiontek
February 3, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to approval of new academic programs;"

Page 8, after line 10, insert:

"**SECTION 5.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Academic program approval.**

The state board of higher education shall approve or deny a request from an institution under its control for a new or expanded academic program within thirty days of the institution submitting its request for the program to the commissioner of higher education."

Renumber accordingly

23.0232.01012
Title.

Prepared by the Legislative Council staff for
Representative Swiontek
February 6, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to the disclosure of financial information;"

Page 8, after line 10, insert:

"**SECTION 5.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Disclosure of financial condition.**

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio."

Renumber accordingly

NORTH DAKOTA UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

State Capitol – 600 E Boulevard Ave – **Dept. 21**
Bismarck ND 58505-0602
Phone: 701.328.2964 Fax: 701.328.2979
E-mail: ndfinaid@ndus.edu Web: ndus.edu

# State-Funded Financial Aid & Workforce Development Programs
# Existing & New Legislation

2/10/2023

Prepared by: Brenda Zastoupil, NDUS

In compiling the list of state-funded student-based financial aid, workforce development, and education enhancing programs, the ND University System (NDUS) found 29 various programs administered by seven state agencies. These include only known programs. The programs were divided into one of two categories, core student aid programs or workforce development programs. The review did not include programs funded through federal sources and only included known programs.

**Recommendation:**

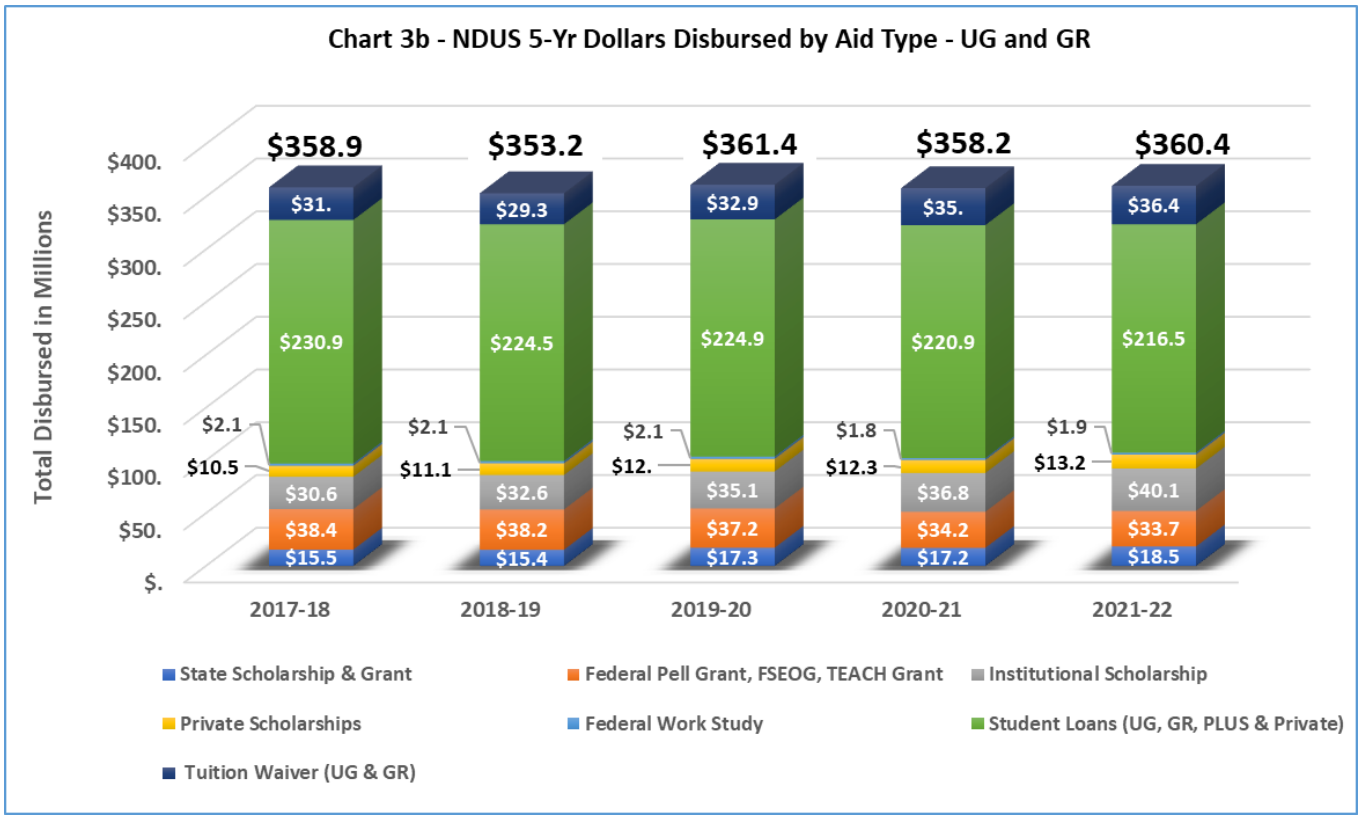
The 2023 Legislative Assembly consider a study during the interim to evaluate the various programs that agencies administer that includes the following:

- What is the program's purpose?
- Are there other state or non-state-funded programs that serve a similar purpose?
- Who/what does the program assist?
- What are other states offering (if available)?
- What are the requirements to receive the award?
- What is the projected growth/needs?
- How many students are served by the program and amount?

**New Program Proposals:**

- Maintain existing programs within the agencies currently administering the programs.
- NEW PROPOSED WORKFORCE PROGRAMS (noted in red)
    - Review "Workforce Development Programs" pages 2-4 of the attached summary to determine consistencies or departures from legislative intent for state-funded programs.
    - Determine how new legislation and/or funding increases fit Legislative intent.
    - Align/consolidate new programs into existing programs where appropriate.
    - Review the administering agency for new programs to determine best fit for legislative intent.
    - Consider how the new proposed bills align with intent.

Attachments: NDUS 5-YR Funding – All Aid Sources
Summary Funding Request
State-Funded Fin Aid & WF Dev Programs List
ND Career Builders In-Demand List




| Program Name | 2021-23 Base | New Funding Request | *2023-25 Total Request |
|---|---|---|---|
| **Student Financial Assistance Program (ND State Grant)** | $23,917,306 | $12,000,000 | $35,917,306 |
| **ND Scholars Program** | $1,807,115 | $0 | $1,807,115 |
| **Academic/CTE/ND Scholarships** | $16,216,749 | $3,318,254 | $19,535,003 |
| **ND Indian Scholarship** | $555,323 | $444,677 | $1,000,000 |
| **Tribally Controlled Colleges Assistance Grant** | $1,000,000 | $0 | $1,000,000 |
| **Professional Student Exchange Program (PSEP)** | $3,699,342 | $0 | $3,699,342 |
| **Education Incentive Programs** | $260,000 | $0 | $260,000 |
| **Dual Credit Tuition Scholarship** | $1,500,000 (one-time funding) | $1,500,000 (BND profits) | $1,500,000 (BND profits) |
| **ND Career Builders Scholarship & Loan Repayment** | $4,500,000 (est. $3.3M remaining 6/30/2023 continuing approp.) | $20,000,000 (BND profits) | $23,300,000 (BND profits) |
| **Challenge Grant** | $11,150,000 | $24,850,000 | $36,000,000 |
| **TOTAL** | **$64,605,835** | **$62,112,931** | **$124,018,766** |

*$102,518,766 general fund and $21,500,000 BND funding

# State-Funded Student Financial Aid and Workforce Development Programs
## Existing and Proposed Legislation
**(Includes only known state funded programs)**

2/10/2023

Prepared by: Brenda Zastoupil, NDUS

| Core Student Financial Aid Programs | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Student Financial Assistance Grants (ND State Grant) (est. 1973)** | Needs-based | Max. $1100/sem. or $733/quarter<br># Approx. 6,100/yr. | **NDUS** | 1003<br>1031 | $23,917,306 | $12,000,000 (general fund) | Increase provides for an increase to the award amount from $1,100/sem. to $1,650/sem. and maintains the current level of award of approximately 6,100 per year. |
| **Academic/CTE/ND Scholarships (est. 2009)** | Merit-based | $750/sem. or $500/qtr. or clock hour<br># Approx 5,230/yr. | **NDUS** | 1003<br>1030<br>1031<br>1305<br>1382<br>1451 | $16,216,749 | $3,318,254 (general fund) | Increase covers anticipated shortfall ($1M) and allows for the scholarship to be used for apprenticeship programs (est. 133 students $.399M) and provides an increase to the maximum amount from $6,000 to $7,496 with per sem. payments increasing from $750 to $937 ($1.9M). |
| **ND Indian Scholarship (est. 1963)** | Merit or Need-based | Max of $2,000 per year<br># Approx 270/yr. | **NDUS** | 1003<br>1030 | $555,323 | $444,677 (general fund) | Included in Governor's budget, this increase will bring the per student award to the maximum level of $2,000 per year. |
| **Tribally Controlled Colleges Assistance Grant** | Award to tribal colleges for non-beneficiary enrollment – may be used for various expenses | Based on FTE non-beneficiary enrollment; awarded to the 5 tribal institutions in the state | **NDUS** | 1003 | $1,000,000 | $0 | Continue at same level. |
| **ND Scholars (est. 1989)** | Premier Merit-based | Full regular UGRD tuition for up to 8 sem./12 qtrs.<br>#Approx 30 new/yr. plus on-going | **NDUS** | 1003<br>1030 | $1,807,115 | $0 | Continue at same level provides for approximately 30 new awards per year plus renewals. |
| **Dual Credit Tuition Scholarship (est. 2021)** | For post-secondary enrollment; Incentive to take DC in high school | Max $750 lifetime<br>#2725 as of 2.3.2023 | **NDUS** | 1003<br>1030<br>1031 | One-time funding in 21-23 biennium of $1.5M | $1,500,000 (BND) | $1.5M one-time funding in 21-23 biennium to be fully utilized. |
| **Dual Credit Assistance Program** | Offered to high school students; Covers the cost for up to 2 DC courses per year for high school SO, JR, SR who participate in free or reduced lunch | Covers the cost for up to 2 DC courses per year for high school SO, JR, SR who participate in free or reduced lunch | **BND** | - | - | - | Funded and administered by BND. |
| **Challenge Grants** | Matching grants for institutions | Varies | **NDUS** | 1003<br>1033 | $11,150,000 | $24,850,000 (general fund) | Approximately three times current appropriation-Moves Law School $250,000 to UND allocation; Provides $4M each for SMHS and NDSU SBARE. |
| **Education Incentive Programs** | Promulgate graduate studies and programs in the state | $130,000 each per biennium to UND and NDSU | **NDUS** | 1003 | $260,000 | $0 | Continue at same level to encourage graduate programs and research in the state. |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Skilled Workforce SCHOLARSHIP aka ND Career Builders (est. 2019)**<br>**NDCC 15-10-32.2** | Private-sector matching program; student agrees to live/work in the state for 3 yrs. following completion of program | Maximum lifetime $17,000, includes private sector match;<br><br># awarded = 199<br>$committed=$1.55M<br>Avg award = $7,785 | **NDUS** | YES - $1/$1 | Reside in ND 3 years following program completion | YES – 3 years in an in-demand occupation | Programs @ 2 yr. or below, including certificates relating to Job Service defined in-demand occupations | 1003<br>1030<br>1240 | $2.25 million; Funded by BND w/continuing appropriation; Est. $3.3M remaining at the end of the 21-23 biennium | $1,000,000 (general fund) | Increase of $1M provides for the scholarship for teaching programs in last 2 years and for the expansion of public funds for the match. |
| **Skilled Workforce LOAN REPAYMENT aka ND Career Builders (est. 2019)**<br>**NDCC 15-10-32.1** | Private-sector matching program; new hire w/in 24 mos. receives student loan repayment over a 3-yr period | Maximum lifetime $17,000, includes private sector match;<br><br># awarded = 86<br>$committed=$1.300M<br>Avg award = $15,115 | **NDUS** | YES - $1/$1 | Reside in ND from time of application | YES – 3 years in an in-demand occupation | Any degree if employed in a Job Service defined in-demand occupation | 1003<br>1030<br>1240 | $2.25 million; Funded by BND w/continuing appropriation; Est. $3.3M remaining at the end of the 21-23 biennium | $1,000,000 (general fund) | Increase of $1M provides for additional loan repayment for teachers and for the expansion of public funds for the match. |
| **Professional Student Exchange Program (PSEP)** | Vet Med/Dentistry/ Optometry Scholarships for out-of-state attendance | Varies between $58,733 - $141,120 (4-yr cost) depending on program;<br># of NEW awards per Year:<br>Vet Med = 12<br>Optometry = 8<br>Dentistry = 7 | **NDUS** | NO | ND residency est. at least 1 yr. PRIOR to the priority appl. date of 10/15 | NO | Veterinary medicine, dentistry, optometry | 1003 | 3,699,342 | $0 | Continue at same level. |
| **Reenergize ND Scholarship (NEW)** | Tool to recruit/retain workers in oil & gas industry | $12,000 per individual up to $24,000 per family | **NDUS** | NO | ND resident – generally 12 months | NO | Any program of study at a NDUS institution | 1003<br>2197 | - | $10,250,000 in HB2197, reduced to $5,125,000 per Sen. Schaible | New program. |
| **High-Demand Certificates (CNA & CDL) Scholarship (NEW)** | CDL and CNA scholarships | $500 – CNA programs; $1,500 CDL programs | **NDUS** | NO | ND resident – generally 12 months | NO | Accredited institution or CTE Board approved program with a physical presence in the state offering CDL or CNA | 1032 | - | $1,000,000 | New program. |
| **Nursing Matching Grants (NEW)** | 1-2 matching program to institutions for advancement of nursing programs | Varies with a min. match of $25,000 | **NDUS** | YES - $1/$2 | NO – awarded to qualifying ND institutions | n/a – awarded to qualifying ND institutions | Nursing programs at accredited institutions in the state | 2288 | - | $250,000 | New program. |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Public Health Loan Repayment** | Student loan repayment for health care professionals | Varies | **DHHS** | | | | | 2344 | Unknown | $60,000 | Increase funds 5 slots for public health professionals. |
| **Veterinarian Loan Repayment** | Student Loan Repayment | Up to $80,000 over 4 years. | **DHHS** | | | | | ? | Unknown | Unknown | - |
| **Dental Loan Repayment** | Student Loan Repayment | Up to $100,000 over 5 years. | **DHHS** | | | | | ? | Unknown | Unknown | - |
| **RN Loan Repayment** | Registered nurses student loan repayment | Up to $4,000 per year for 5 years | **DHHS** | | | | | 2287 | Unknown | $528,480 | Expansion of existing program. |
| **Back The Blue Grant (NEW)** | WF retention & recruitment tool for law enforcement | Varies | **Attorney General's Office** | NO | NO – issued to law enforcement agency for bonuses, tuition/fee payments, equipment costs | NO | Law enforcement | 1307 | - | $5,000,000 | New program. |
| **New Americans WF Development (NEW)** | Grant for New American community – WF development training, internship & mentorship | Varies | **Dept. of Commerce** | NO | NO – issued to new American community for workforce development training, internship, and mentorship | NO | New American workforce development training, internship, and mentorship | 1421 | - | $2,000,000 | New program. |
| **Tribal Colleges Grants** | WF training and entrepreneurial assistance | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Technical Skills Training Grant** | Supports training of non-degree reskilling programs and expanding capacity of existing programs | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Regional Workforce Impact Program (RWIP)** | Grant to design & implement innovative plans to address workforce challenges | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Operation Intern** | Expand number of internships, work experience and apprenticeship positions | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Non-Resident Nursing Employment Recruitment Program** | Attract and retain highly qualifies nurses to ND | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Para-To-Professional Scholarship (NEW)** | Assist accredited institutions with training paras to become qualified teachers | $20,000 to institution for start-up/admin costs; remainder for student scholarships | **DPI** | NO – awarded to qualifying ND institutions (no requirement to have a physical presence in state) | NO – awarded to accredited institutions (no requirement to have a physical presence in state) | NO | Teaching | 2032 | - | $3,000,000 | New funding that is a continuation of program previously funded with non-state dollars. |
| **Teacher Shortage Loan ~~Forgiveness~~ REPAYMENT (NEW)** | Encourage teaching at grade levels, content areas and geographical locals that have a teacher shortage or critical need | Between $2,500/$3,750/$5,000 per year depending on location and critical need or shortage area; up to 4 years | **DPI** | NO | NO | YES – must be working in a qualifying locale or position in ND | Qualifying teaching positions in ND | 2033 | - | $3,000,000 | New program that amends and reenact 15.1-02-04. |
| **NDNG Tuition Grants** | Grants for postsecondary enrollment; includes out-of-state postsecondary education institutions – used as a recruitment/retention tool for the NDNG | Varies | **Adjunct General** | | | | | 2094 | - | $1,615,000 | Expansion of program. |

**2023 FAILED BILLS**

SB2127 – Psychiatric RN Loan Repayment Program
SB2270 – Student Teacher Experience Program
HB1470 – Back to College Grant
SB2151 – Immigration WF Loan Program

# ND career builders

Scholarship & Loan Repayment

**ND Career Builders - High-Need & Emerging Occupations**

The High-Need and Emerging Occupations list is used to determine eligibility for the ND Career Builders Scholarship and Loan Repayment programs. The list is reviewed annually by the ND Workforce Development Council (NDWDC) and Job Service ND (JSND). The occupations listed below were approved by NDWDC and JSND in 2020 through 2022. The occupations approved in these years will be used in determining eligibility for ND Career Builders. Occupations designated with a red asterisk (*) will remain eligible for ND Career Builders consideration at least through June 30, 2023. Questions regarding the program? Contact the NDUS at 701-328-2906 or at ndfinaid@ndus.edu.

## EDUCATION

- Career/Tech Ed Teachers, Secondary School (2022)
- Elementary School Teachers (2022)
- Health Specialties Teachers, Postsecondary (2022)
- Instructional Coordinators (2022)
- Kindergarten Teachers, Except Special Education (2022)
- Librarians & Media Collections Specialists (2022)
- Middle School Teachers, Except Special & Career/Tech Ed (2022)
- Preschool Teachers, Except Special Education (2022)
- Secondary School Teachers (2022)
- Special Education Teachers (KG, Elementary, Secondary School) (2022)
- Teaching Assistants, Except Postsecondary (2022)

## ENGINEERING & ARCHITECTURE

- Civil Engineer (2022)
- Civil Engineering Technologists & Technicians (2022)
- Electrical Engineers (2022)
- Mechanical Engineers (2022)
- * Electrical & Electronic Engineering Technician (2020)
- * Mining & Geological Engineer (2020)
- * Petroleum Engineer (2020)
- * Transportation Engineer (2020)

## FINANCIAL

- Accountant & Auditor (2022)
- Bookkeeping, Accounting & Auditing Clerks (2022)
- Financial Manager (2022)
- Management Analysts (2022)
- Operations Research Analysts (2022)
- Statisticians (2022)
- Tax Preparers (2022)
- * Compensation & Benefits Manager (2020)
- * Financial Analyst (2020)
- * Personal Financial Advisors (2020)

## HEALTHCARE

- Athletic Trainers (2022)
- Cardiovascular Technologist & Technician (2022)
- Clinical Laboratory Technologists & Technicians (2022)
- Dental Assistants (2022)
- Dental Hygienists (2022)
- Diagnostic Medical Sonographer (2022)
- Dietitians and Nutritionists (2022)
- Emergency Medical Technicians & Paramedics (2022)
- Massage Therapists (2022)
- Medical Assistants (2022)
- Nuclear Medicine Technologists (2022)
- Nurse-Licensed Practical & Licensed Vocational Nurses (2022)
- Nurse-Registered Nurses (2022)
- Nursing Assistants (2022)
- Occupational Therapists (2022)
- Occupational Therapy Assistants (2022)
- Ophthalmic Medical Technicians (2022)
- Pharmacy Technicians (2022)
- Phlebotomists (2022)
- Physical Therapy Assistants (2022)
- Psychiatric Aides (2022)
- Radiologic Technologists & Technicians (2022)
- Respiratory Therapists (2022)
- Skincare Specialists (2022)
- Surgical Technologists (2022)
- Veterinary Technologists & Technicians (2022)
- * Medical Lab Technologist/Technician (2020)
- * MRI Technologist (2020)

## INFORMATION TECHNOLOGY

- Computer & Information Systems Managers (2022)
- Computer Network Support Specialists (2022)
- Computer Programmers (2022)
- Computer Systems Analysts (2022)
- Computer User Support Specialists (2022)
- Information Security Analysts (2022)
- Intelligence Analysts (2022)
- Software Developers and Software Quality Assurance Analysts and Testers (2022)
- Telecommunications Equipment Installers & Repairers, Except Line Installers (2022)
- Web Developers & Digital Interface Designers (2022)
- * Actuaries (2020)
- * Clinical Data Manager (2020)
- * Database Administrators (2020)

## MANAGEMENT

- Construction Manager (2022)
- General & Operations Manager (2022)
- Industrial Production Manager (2022)
- Medical & Health Services Manager (2022)
- Sales Manager (2022)
- * Marketing Manager (2020)

## PROFESSIONAL / OTHER

- Compliance Officer (2022)
- Human Resources Manager (2022)
- Human Resources Specialist (2022)
- Market Research Analysts and Marketing Specialist (2022)
- Paralegal and Legal Assistant (2022)
- Public Relations Specialist (2022)
- Training & Development Specialist (2022)
- * Soil and Plant Scientist (2020)

## SALES

- Securities, Commodities & Financial Services Sales Agents (2022)
- Sales Rep.-Wholesale & Manufacturing of Technical & Scientific Products (2022)
- * Sales Engineer (2020)

## SKILLED TRADE

- Automotive Service Technicians & Mechanics (2022)
- Butchers & Meatcutters (2022)
- Carpenters (2022)
- Chefs & Head Cooks (2022)
- Crane & Tower Operators (2022)
- Diesel Technician:
  - Bus & Truck Mechanic and Diesel Engine Specialist (2022)
  - Farm Equipment Mechanic & Service Technician (2022)
  - Industrial Machinery Mechanic (2022)
- Electrician (2022)
- Firefighter (2022)
- Hairdresser, Hairstylist & Cosmetologist (2022)
- Heating, Air Conditioning & Refrigeration Mechanics, and Installers (HVAC) (2022)
- Machinist (2022)
- Plumber, Pipefitter and Steamfitter (2022)
- Power Plant Operator (2022)
- Precision Agriculture Technician (2022)
- Welder, Cutter, Solderer & Brazer (2022)
- Wind Turbine Service Technician (2022)
- * Aircraft Mechanic & Service Technician (2020)
- * Bus & Truck Mechanic (2020)
- * Construction Building Inspector (2020)
- * Electrical Powerline Installer & Repairer (2020)
- * Environmental Scientist & Specialist (2020)
- * Gas Plant Operator (2020)
- * Maintenance & Repair Worker (2020)
- * Mobile Heavy Equipment Mechanic (2020)
- * Petroleum Pump System Operator, Refinery Operator & Gauger (2020)

## SOCIAL SERVICES

- Child, Family & School Social Worker (2022)
- Childcare Worker (2022)
- Community & Social Service Specialist (2022)
- Educational, Guidance & Career Counselors & Advisors (2022)
- Healthcare Social Workers (2022)
- Marriage & Family Therapists (2022)
- Mental Health & Substance Abuse Social Worker (2022)
- Police & Sheriff Patrol Officers (2022)
- Social & Community Service Manager (2022)
- Social & Human Service Assistant (2022)
- Substance Abuse, Behavioral Disorder & Mental Health Counselor (2022)

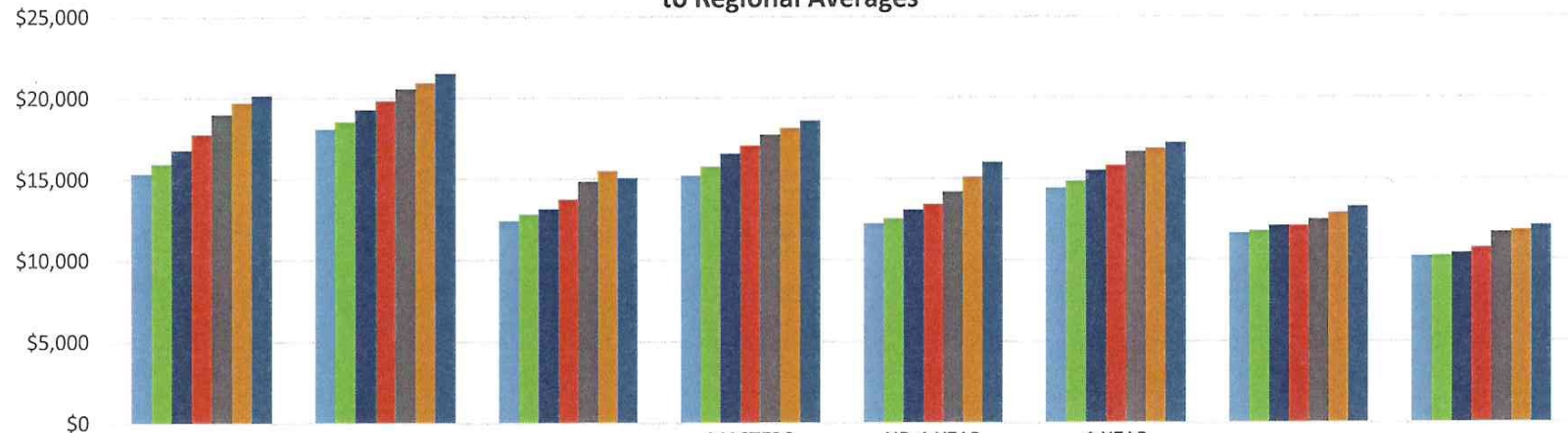
## TRANSPORTATION

- Commercial Pilots (2022)
- Heavy & Tractor-Trailer Truck Drivers (2022)

Updated 8.23.2022

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

## North Dakota Institutions Average Resident Undergraduate Tuition, Fees, Room, and Board Compared to Regional Averages




| | ND DOCTORAL Universities | DOCTORAL Regional Average | ND MASTERS Universities | MASTERS Universities Regional Average | ND 4-YEAR Regional Universities | 4-YEAR Universities Regional Average | ND 2-YEAR Colleges | 2-YEAR Colleges Regional Average |
|---|---|---|---|---|---|---|---|---|
| 2015-16 | 15,341 | 18,080 | 12,399 | 15,198 | 12,230 | 14,428 | 11,612 | 10,207 |
| 2016-17 | 15,946 | 18,505 | 12,817 | 15,755 | 12,547 | 14,838 | 11,747 | 10,235 |
| 2017-18 | 16,788 | 19,269 | 13,153 | 16,550 | 13,092 | 15,494 | 12,073 | 10,388 |
| 2018-19 | 17,765 | 19,822 | 13,750 | 17,055 | 13,438 | 15,807 | 12,084 | 10,720 |
| 2019-20 | 18,973 | 20,523 | 14,836 | 17,698 | 14,198 | 16,653 | 12,467 | 11,649 |
| 2020-21 | 19,709 | 20,910 | 15,493 | 18,121 | 15,107 | 16,863 | 12,894 | 11,788 |
| 2021-22 | 20,154 | 21,506 | 15,054 | 18,578 | 16,026 | 17,217 | 13,280 | 12,084 |

Regional Average includes comparable public institutions from Arizona, Colorado, Idaho, Minnesota, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington, and Wyoming.

# North Dakota University System

| Tuition Funds, Salary, and Health Insurance Increases | | | | | | |
|---|---|---|---|---|---|---|
| Institution | 2023-25 Estimated Tuition Funds 6%/4% Salary Increase | 2023-25 Estimated Tuition Funds Health Insur. Increase | Total Tuition Funds 6%/4% Salary Increase & Health Insur. Increase | Estimated Tuition Incr. for Salary & Health Insur. | 2023-25 2%/2% Tuition Increase Legislative Maximum | State Funded Tuition |
| BSC | $ 1,475,651 | $ 601,496 | $ 2,077,147 | 4.71% | $ 873,602 | $ 1,203,545 |
| LRSC | 533,533 | 204,725 | $ 738,258 | 6.25% | $ 232,856 | $ 505,402 |
| WSC | 303,046 | 124,727 | $ 427,774 | 4.91% | $ 172,554 | $ 255,220 |
| UND | 10,777,688 | 3,850,668 | $ 14,628,356 | 3.62% | $ 8,044,753 | $ 6,583,603 |
| SMHS | 2,064,701 | 479,499 | $ 2,544,199 | 4.65% | $ 1,085,486 | $ 1,458,713 |
| NDSCS | 870,284 | 413,833 | $ 1,284,118 | 4.73% | $ 538,324 | $ 745,793 |
| NDSU | 12,130,604 | 4,725,979 | $ 16,856,583 | 5.22% | $ 6,389,162 | $ 10,467,421 |
| DSU | 896,585 | 406,256 | $ 1,302,840 | 5.74% | $ 448,166 | $ 854,675 |
| MaSU | 543,273 | 299,961 | $ 843,234 | 4.57% | $ 366,195 | $ 477,038 |
| MiSU | 1,731,646 | 738,459 | $ 2,470,104 | 5.06% | $ 967,354 | $ 1,502,751 |
| VCSU | 784,901 | 382,547 | $ 1,167,448 | 4.92% | $ 469,892 | $ 697,556 |
| DCB | 245,946 | 113,313 | $ 359,259 | 3.71% | $ 192,563 | $ 166,697 |
| CTS (Student Fees) | 917,562 | 21,748 | $ 939,310 | | | $ 939,310 |
| Total All | $ 33,275,418 | $ 12,363,211 | **$ 45,638,629** | 3.5% - 6% | $ 19,780,906 | **$ 25,857,723** |

23.0232.01013
Title.

Prepared by the Legislative Council staff for
Representative Swiontek
February 7, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 8, after line 5, insert:

"**SECTION 4. APPROPRIATION - NORTH DAKOTA STATE UNIVERSITY - WORKFORCE EDUCATION - REPORT.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $4,800,000, or so much of the sum as may be necessary, to North Dakota state university for the purpose of creating or expanding programs and enrollment initiatives, as identified by the North Dakota state university president, to address the workforce needs of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. The funding appropriated in this section may only be used to create or expand programs and initiatives and may not be used for programs that have been closed or reduced by North Dakota state university since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding appropriated in this section."

Renumber accordingly

23.0232.01014
Title.

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division Committee
February 7, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to the disclosure of financial information;"

Page 8, after line 10, insert:

"**SECTION 5.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Disclosure of financial condition.**

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher education may require the qualified applicants to sign a nondisclosure agreement prior to receiving the disclosure of financial condition."

Renumber accordingly

NDSU | NORTH DAKOTA STATE UNIVERSITY

**Research and education network resources $3,201,100**

NDSU is requesting ongoing base funding for continued access to high-speed research and education network resources with connectivity, maintain cybersecurity control standards, computational research tools and methods to support cybersecurity, artificial intelligence and quantum computing programming efforts.

- Northern Tier Network-Internet2 Connectivity $650,000

  An independent network that serves research and educational institutions. This network provides direct, and high-speed access to collaborators and government laboratories across the nation that is essential to successful research operations within the state. Through NDSU this network is available for all ND university system institutions and K-12. NDSU is a member institution of the Northern Tier Network.

  *If this is not funded: NDSU would have to further reduce operations to continue the critical access to the network. As an R1 institution (Doctoral University with very high research activity) continued connectivity is necessary for researchers to share and obtain data.*

- Computational Research $1,551,100

  Hiring experts to support faculty research on existing cutting-edge computational resources, so that most research disciplines can effectively utilize resources available. A small portion of the base funding will be used to support regular maintenance operations on the equipment.

  *If this is not funded: NDSU will not be able to provide researchers with the critical training and tools to increase accuracy and efficiently apply data science techniques to contracts. This is especially important in Agriculture; data science analytics for individual growers and commodity groups have increased dramatically.*

- Cybersecurity Maturity Model Certification (CMMC) $1,000,000

  CMMC is a set of security standards issued by the Department of Defense (DoD) intended to protect Controlled Unclassified Information, which constitutes most information associated with or produced by DoD grants and contracts. The vast majority of DoD grants and contracts in the future will require CMMC level 2 certification. To meet this requirement, NDSU will be required to implement new infrastructure for desktops, servers, networks, and other information services. Funds will cover additional staffing (as necessary), equipment, and licensing.

  *If this is not funded: NDSU will not be able to apply for the majority of Dept of Defense (DoD) grants and contracts beginning in 2025. All security infrastructure systems need to be in place and CMMC certified by 2025.*

  **This is a joint funding request between NDSU ($3,201,100) and UND ($3,201,100).**

Updated

**2023 - 2027 Agriculture and Institution Capital Project**
**Revised 02/13/2023**

| Institution | Project Title | Project Total | Funding Source | | Project Type |
|---|---|---|---|---|---|
| | | | General Funds | Local Match | |
| MaSU | Old Main Renovation | 49,900,000 | 49,900,000 | | |
| NDSCS | Agriculture, Automation & Autonomous Systems | 19,975,000 | 18,975,000 | 1,000,000 | Major renovation to existing facilities and new construction |
| DSU | Agriculture & Technical Education Buildings | 18,000,000 | 17,100,000 | 900,000 | Major renovation to existing facility |
| DCB | Old Main/Center for Rural Health Education | 5,300,000 | 4,300,000 | 1,000,000 | Major renovation to existing facility |
| LRSC | Wind Turbine Gearbox Replacement | 600,000 | 600,000 | | Equipment repair |
| MiSU | Dakota Residence Hall Demolition | 765,000 | 765,000 | | Removal of facility |
| NDSU | Center for Engineering & Computational Sciences | 84,000,000 | 59,000,000 | 25,000,000 | New construction with major renovation to existing facility |
| VSCU | McCarthy Hall Renovation | 13,500,000 | 11,500,000 | 2,000,000 | Renovation to existing facility |
| UND | Science, Engineering & Natural Security Corridor Planning & Demolition | 82,000,000 | 57,400,000 | 24,600,000 | Renovation, removal and planning |
| BSC | Multipurpose Academic & Athletic Performance Center | 31,500,000 | 25,000,000 | 6,500,000 | New construction with demolition of existing facility |
| WSC | Medical Healthcare Building | 36,600,000 | 26,600,000 | 10,000,000 | New construction |
| UND | STEM Building | 75,000,000 | 52,000,000 | 23,000,000 | |
| MiSU | MiSU Academic | 8,000,000 | 7,600,000 | 400,000 | Nursing, computer science, math, science |
| | **State General Fund Projects** | **425,140,000** | **330,740,000** | **94,000,000** | |

1 Four year capital project plan: 07/01/2023 - 06/30/2027
2 NDUS could not request any capital construction projects for the 4 year period.
3 NDUS could approve projects that are 100% funded through local or other special funds during the 4 year period including Residence Halls, etc.
4 Universities/colleges are required to have the local pledge/other funds secured before any General Funds can be disbursed for the projects.
5 Universities/colleges will have four years to obtain local/special funds.
6 Any inflationary or other costs that exceed the project total would have to be paid through local/special funds and the obligation of the state would remain as listed.
7 The cost of the project can be less than the project total as listed above. However, the local match percentage requirement will still remain the same and correlate to the project total.
8 Other funds can be used for the planning process of a project. However, the amount spent for the planning and etc. can not be counted toward the local match.
9 Any additional funds over the local match authorization can be used for the project.
10 The Capital projects for the total four years would be appropriated during the 2023-2025 biennium.
11 Budget section approval prior to disbursement of general funds.
12 Funding source would be through the SIFF (Strategic Investment and Improvement Fund).

| HB1003 Capital Building Fund | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Tier I 1:1 match except UND/NDSU 2:1 match; Tier II 1:1 match; Tier III 2:1 match | | | | | | | | | | | | |
| Total Capital Fund = $96.4 million | | | | | | | | | | | | |
| Tier I - Extraordinary Repairs | | | | Tier II - Capital Building Fund | | | | Tier III - Capital Building Fund | | | | |
| Institution | Base Funding Formula allocated to Extraordinary Repairs (General Funds) | 1 to 1 Match All Institutions except UND/NDSU 2 to 1 Match (Special Funds) | Tier I Appropriation & Required Match | 2015-2017 Adjusted SCH | Institution Match at 1 to 1 (Special Funds) | $20M State Funds | Tier II Totals | State Funds | 2 for 1 Match | Tier III Totals | Totals |
| BSC | 417,673 | 417,673 | 835,346 | 320,093 | 851,386 | 851,386 | 1,702,773 | 500,000 | 1,000,000 | 1,500,000 | 4,038,119 |
| DCB | 114,007 | 114,007 | 228,014 | 79,753 | 212,128 | 212,128 | 424,256 | 500,000 | 1,000,000 | 1,500,000 | 2,152,270 |
| LRSC | 155,367 | 155,367 | 310,734 | 133,374 | 354,750 | 354,750 | 709,500 | 500,000 | 1,000,000 | 1,500,000 | 2,520,234 |
| NDSCS | 1,012,379 | 1,012,379 | 2,024,758 | 376,489 | 1,001,390 | 1,001,390 | 2,002,780 | 500,000 | 1,000,000 | 1,500,000 | 5,527,538 |
| WSC | 197,801 | 197,801 | 395,602 | 103,727 | 275,894 | 275,894 | 551,788 | 500,000 | 1,000,000 | 1,500,000 | 2,447,390 |
| DSU | 409,078 | 409,078 | 818,156 | 202,166 | 537,724 | 537,724 | 1,075,447 | 500,000 | 1,000,000 | 1,500,000 | 3,393,603 |
| MASU | 358,992 | 358,992 | 717,984 | 180,486 | 480,058 | 480,058 | 960,117 | 500,000 | 1,000,000 | 1,500,000 | 3,178,101 |
| MISU | 899,620 | 899,620 | 1,799,240 | 430,708 | 1,145,602 | 1,145,602 | 2,291,204 | 500,000 | 1,000,000 | 1,500,000 | 5,590,444 |
| VCSU | 408,319 | 408,319 | 816,638 | 232,450 | 618,274 | 618,274 | 1,236,547 | 500,000 | 1,000,000 | 1,500,000 | 3,553,185 |
| NDSU | 2,732,244 | 5,464,488 | 8,196,732 | 2,180,302 | 5,799,192 | 5,799,192 | 11,598,383 | 2,250,000 | 4,500,000 | 6,750,000 | 26,545,115 |
| UND | 4,411,566 | 8,823,132 | 13,234,698 | 3,279,783 | 8,723,603 | 8,723,603 | 17,447,205 | 2,250,000 | 4,500,000 | 6,750,000 | 37,431,903 |
| **TOTAL** | **11,117,046** | **18,260,856** | **29,377,902** | **7,519,331** | **20,000,000** | **20,000,000** | **40,000,000** | **9,000,000** | **18,000,000** | **27,000,000** | **96,377,902** |

Prepared by the Legislative Council staff
for House Appropriations - E&E Division
February 13, 2023

## HOUSE BILL NO. 1003
## LISTING OF PROPOSED CHANGES TO BILL

**Department - Higher Education**

**Proposed funding changes:**

| | Description | FTE | General Fund | Special Funds | Total |
|---|---|---|---|---|---|
| 1 | Provide funding for health insurance increases, annual 4% compensation increases, and the cost to continue 2021-23 salaries (approximate) | | $34,800,000 | $68,150,000 | $102,950,000 |
| 2 | Increase funding for tribal college grants to provide a total of $2 million | | $1,000,000 | | $1,000,000 |
| 3 | Increase funding for academic and CTE scholarships to provide a total of $17.2 million (HB 1031) | | $1,000,000 | | $1,000,000 |
| 4 | Increase funding for Native American scholarships to provide a total of $1 million | | $444,677 | | $444,677 |
| 5 | Increase funding for student financial assistance grants to provide a total of $35.9 million (HB 1031) | | $12,000,000 | | $12,000,000 |
| 6 | Add funding for high-demand certificates scholarships for CDL and CNA students | | $1,000,000 | | $1,000,000 |
| 7 | Increase funding for the veterans assistance program to provide a total of $454,875 | | $177,000 | | $177,000 |
| 8 | Add funding for systemwide marketing | | $900,000 | | $900,000 |
| 9 | Add funding for Assistant Vice Chancellor FTE position | 1.00 | $425,000 | | $425,000 |
| 10 | Add funding for the Capitol rent model | | $143,625 | | $143,625 |
| 11 | Reduce funding for capital bond payments | | ($2,187,368) | | ($2,187,368) |
| 12 | Add funding for software costs and an IT security operations center (Governor's recommendation identified, but NDUS requests $6.8 million) | | $2,500,000 | | $2,500,000 |
| 13 | Add funding for new financial aid software, including $1,554,354 of 1-time funding | | $1,827,534 | | $1,827,534 |
| 14 | Add funding to pay the tuition portion of a 6%/4% compensation and health insurance increases (approximate) | | $45,600,000 | | $45,600,000 |
| 15 | Add funding for UND research network connectivity | | $650,000 | | $650,000 |
| 16 | Add funding for UND cybersecurity | | $1,000,000 | | $1,000,000 |
| 17 | Add funding for UND computational research tools | | $1,551,100 | | $1,551,100 |
| 18 | Add funding for NDSU research network connectivity | | $650,000 | | $650,000 |
| 19 | Add funding for NDSU cybersecurity | | $1,000,000 | | $1,000,000 |
| 20 | Add funding for NDSU computational research tools | | $1,551,100 | | $1,551,100 |
| 21 | Add 1-time funding for challenge grants (See #2 under other proposed changes) | | $36,000,000 | | $36,000,000 |
| 22 | Add 1-time funding for the behavioral health initiative | | $3,640,624 | | $3,640,624 |
| 23 | Add 1-time funding for the Dakota Digital Academy | | $450,000 | | $450,000 |
| 24 | Add 1-time funding for energy workforce scholarships | | $10,000,000 | | $10,000,000 |

| | | | | |
|---|---|---|---|---|
| 25 | Add 1-time funding for workforce education innovation grants | $10,000,000 | | $10,000,000 |
| 26 | Add 1-time funding for support of single mothers/parents (01002) | $4,500,000 | | $4,500,000 |
| 27 | Add 1-time funding for inflationary passthrough grants (01005) | $21,100,000 | | $21,100,000 |
| 28 | Add funding for a 96% minimum amount payable (hold harmless) - APPROVED | $5,215,694 | | $5,215,694 |
| 29 | Reduce funding for completed credit hours | ($9,265,083) | | ($9,265,083) |
| 30 | Add 1-time funding for UND National Security Initiative (01006) | $45,000,000 | | $45,000,000 |
| 31 | Add 1-time funding for MaSU Old Main renovation (01004 - keep in separate section) | $49,970,100 | | $49,970,100 |
| 32 | Add 1-time funding for NDSU program creation and expansion (01013 - APPROVED) | $4,800,000 | | $4,800,000 |
| 33 | Add Forest Service budget requests | $387,000 | $8,458,141 | $8,845,141 |
| 34 | Consider other capital project requests | | | |
| | Total proposed funding changes | 1.00 $287,831,003 | $76,608,141 | $364,439,144 |

**Other proposed changes:**

1 Amend HB 1034 (capital building fund tiers) into HB 1003, with an adjustment to reduce subsection 3 of Section 1 and all 2-year institutions to 5 percent and to add student housing to Section 2 as eligible for extraordinary repairs

2 Amend HB 1033 (challenge grants) into HB 1003 with $32.5 million and discussed allocations.
- Restrict $250,000 of $5 million UND allocation for the School of Law.
- Prioritize the distribution of unawarded funds to other institutions in the same paragraph under section 15-10-49.
- Remove all restrictions on allowable uses of funds.
- Reduce discussed allocation for UND SMHS from $4.5 million to $4 million and add NDSU Agricultural Research and Extension as eligible for $4 million to provide $36 million total.

3 Amendment 01007 - Add a payback provision for the professional student exchange program

4 Add proposed new scholarship programs or current scholarship changes, including HB 1031 and 1032 into HB 1003

5 Add tuition increase limitations and any associated funding

6 Add other sections included in the Governor's recommendation - Included in green sheet appendix

7 Amend the higher education funding formula to adjust the weighting factor for CTE credits to 4.5 and to add dental hygiene to CTE

8 Add funding for inflationary increases

9 Add section to allow UND SMHS carry over of $2.1 million federal ARPA hyperbaric oxygen therapy funding

10 Amendment 01003 - Repeal the workforce education advisory council and replace it with the workforce development council.

11 Amendment 01008 - Provide for a report to the Legislative Management on higher education trends - APPROVED

12 Amendment 01009 - Provide for a transfer of $400,000 from the NDUS office to NDSU and require future severance agreements to be paid from the NDUS office budget - APPROVED

13 Amendment 01011 - Require the SBHE to approve new program requests within 30 days - APPROVED

14 Amendment 01014 - Provide for the disclosure of campus financial information to applicants for the position of President. Include a nondisclosure agreement. - APPROVED

23.0232.01015
Title.

Prepared by the Legislative Council staff for
Representative Nathe
February 9, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to severance agreements; to provide for a transfer;"

Page 8, after line 10, insert:

"**SECTION 5. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM - NORTH DAKOTA STATE UNIVERSITY.** Of the funding appropriated from the general fund in subdivision 1 of section 1 of this Act or from funding appropriated for the biennium beginning July 1, 2021, and ending June 30, 2023, that is continued pursuant to section 54-44.1-11, the state board of higher education shall transfer $400,000 from the system governance line item or the shared campus services line item to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

**SECTION 6.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Severance agreements - Funding - Emergency commission and budget section approval.**

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement. Emergency commission and budget section approval is required before the board may expend any funds pursuant to this section. When considering the request, the budget section shall consider the amount obligated to the individual named in the severance agreement pursuant to the individual's employment contract with the board or institution under the control of the board, the cost of the severance agreement, and the justification for the severance agreement provided by the board."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment transfers $400,000 of general fund appropriation authority from the North Dakota University System office to North Dakota State University. The amendment also provides for future severance agreements approved by the State Board of Higher Education to be paid from the North Dakota University System office budget with the approval of the Emergency Commission and the Budget Section.

## North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | | House Changes to Executive Budget Increase (Decrease) - Executive Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 | | 1,462,330 | 542,026 | 2,004,356 | | (478,440) | (181,778) | (660,218) |
| Health insurance increase | | 507,907 | 47,974 | 555,881 | | 496,486 | 242,398 | 738,884 | | (11,421) | 194,424 | 183,003 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | | | 0 | | (1,000,000) | | (1,000,000) |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | | | 0 | | (444,677) | | (444,677) |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) | | | | 0 | | | 1,500,000 | 1,500,000 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | | | 0 | | (177,000) | | (177,000) |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | | | 0 | | (273,180) | | (273,180) |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 | | | | 0 | | (2,500,000) | | (2,500,000) |
| Adds funding for the general fund Capitol rent model | | 143,625 | | 143,625 | | | | 0 | | (143,625) | | (143,625) |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | | | 0 | | 2,187,368 | | 2,187,368 |
| Total ongoing funding changes | 4.00 | $5,011,559 | ($646,024) | $4,365,535 | 4.00 | $2,170,584 | $866,622 | $3,037,206 | 0.00 | ($2,840,975) | $1,512,646 | ($1,328,329) |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding from the legacy earnings fund for the higher education challenge grant program | | | $50,000,000 | $50,000,000 | | | | $0 | | | ($50,000,000) | ($50,000,000) |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 | | | | 0 | | (3,640,624) | | (3,640,624) |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | | | 0 | | (1,554,354) | | (1,554,354) |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | | | 0 | | (450,000) | | (450,000) |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 | | | | 0 | | | (10,000,000) | (10,000,000) |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | | | 0 | | (10,000,000) | | (10,000,000) |
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 | 0.00 | $0 | $0 | $0 | 0.00 | ($15,644,978) | ($60,000,000) | ($75,644,978) |
| **Total Changes to Base Level Funding** | 4.00 | $20,656,537 | $59,353,976 | $80,010,513 | 4.00 | $2,170,584 | $866,622 | $3,037,206 | 0.00 | ($18,485,953) | ($58,487,354) | ($76,973,307) |
| **2023-25 Total Funding** | 162.83 | $137,555,013 | $85,111,011 | $222,666,024 | 162.83 | $119,069,060 | $26,623,657 | $145,692,717 | 0.00 | ($18,485,953) | ($58,487,354) | ($76,973,307) |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(2.5%)* | *3.1%* | *2.5%* | *1.9%* | *3.4%* | *2.1%* | | | | |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *230.4%* | *56.1%* | *2.5%* | *1.9%* | *3.4%* | *2.1%* | | | | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. | |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. | |
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | |
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| Project management oversight | Section 10 would require 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. | |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | |
| Transfer authority | Section 12 would provide 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 assets. | Section 5 would provide 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 assets. |
| FTE positions | Section 13 would authorize 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. | Section 6 would authorize 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. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. | Section 4 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. | |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects. | |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. | |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including $480,000 for the LRSC wind turbine replacement, $900,000 for the DSU agriculture and technical education building, $3,779,100 for the MaSU Old Main renovation, $765,000 for the MiSU Dakota Hall demolition, and $3.7 million for the DCB Old Main renovation, is from SIIF. | |

"the president of an institution under the control of the state board of higher education has the authority to adopt policies, procedures, and directives for the institution, with input but not control from faculty and others through shared governance, subject to the authority of the commissioner of higher education and the state board of higher education to overturn or amend the president's policies, procedures and directives."

2/14/2023

## North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | | House Changes to Executive Budget Increase (Decrease) - Executive Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 | | 1,439,734 | 542,026 | 1,981,760 | | ($501,036) | ($181,778) | (682,814) |
| Health insurance increase | | 496,486 | 242,398 | 738,884 | | 507,907 | 247,974 | 755,881 | | 11,421 | 5,576 | 16,997 |
| Adds funding for financial aid staff | | | | 0 | | 125,000 | | 125,000 | | 125,000 | | 125,000 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 | | | | 0 |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) | | | | 0 | | | 1,500,000 | 1,500,000 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 | | | | 0 |
| Adds funding for tribal college grants to provide a total of $2 million | | | | 0 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | | | 0 | | 12,000,000 | | 12,000,000 | | 12,000,000 | | 12,000,000 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 | | | | 0 |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 | | 4,500,000 | | 4,500,000 | | 2,000,000 | | 2,000,000 |
| Adds funding for the general fund Capitol rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 | | | | 0 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) | | | | 0 |
| Adds funding to limit tuition increases | | | | 0 | | 939,310 | | 939,310 | | 939,310 | | 939,310 |
| Total ongoing funding changes | 4.00 | $5,000,138 | ($451,600) | $4,548,538 | 4.00 | $20,574,833 | $872,198 | $21,447,031 | 0.00 | $15,574,695 | $1,323,798 | $16,898,493 |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding for the higher education challenge grant program | | | $50,000,000 | $50,000,000 | | $36,000,000 | | $36,000,000 | | $36,000,000 | ($50,000,000) | ($14,000,000) |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 | | | | 0 | | (3,640,624) | | (3,640,624) |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,554,354 | | 1,554,354 | | | | 0 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 | | | | 0 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 | | | | 0 | | | (10,000,000) | (10,000,000) |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 | | | | 0 |
| Adds funding for support of single parents | | | | 0 | | 4,500,000 | | 4,500,000 | | 4,500,000 | | 4,500,000 |
| Adds funding for passthrough grants | | | | 0 | | 20,100,000 | | 20,100,000 | | 20,100,000 | | 20,100,000 |
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $56,959,376 | ($60,000,000) | ($3,040,624) |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Changes to Base Level Funding** | 4.00 | $20,645,116 | $59,548,400 | $80,193,516 | 4.00 | $93,179,187 | $872,198 | $94,051,385 | 0.00 | $72,534,071 | ($58,676,202) | $13,857,869 |
| **2023-25 Total Funding** | 162.83 | $137,543,592 | $85,305,435 | $222,849,027 | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 | 0.00 | $72,534,071 | ($58,676,202) | $13,857,869 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(1.8%)* | *3.2%* | *2.5%* | *17.6%* | *3.4%* | *15.0%* | | | | |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *231.2%* | *56.2%* | *2.5%* | *79.7%* | *3.4%* | *65.9%* | | | | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| MaSU Old Main renovation | | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, who must match $2 to $1. |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including $480,000 for the LRSC wind turbine replacement, $900,000 for the DSU agriculture and technical education building, $3,779,100 for the MaSU Old Main renovation, $765,000 for the MiSU Dakota Hall demolition, and $3.7 million for the DCB Old Main renovation, is from SIIF. | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. |
| NDSU workforce education | | Section 7 identifies $4.8 million appropriated from the general fund to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs. |
| Support for single parents | | Section 8 identifies $4.5 million appropriated from the general fund to the NDUS office is for support for single mothers. |
| Severance agreement transfer | | Section 9 provides for the transfer of $367,000 from NDUS office carryover to NDSU for the cost of a severance agreement entered into with the previous president of NDSU. Section 19 provides for future severance agreements to be paid from the NDUS office budget, subject to emergency commission and Budget Section approval. |
| Dual-credit tuition scholarships | | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the NDUS office for dual-credit tuition scholarships. |
| Career builders | | Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 22 through 24 amend language to continue and expand the program. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 33 restricts the use of capital building fund moneys for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. |
| Capital projects requests - Restriction | | Section 15 restricts the state board of higher education from requesting state funds for capital projects from the 69th Legislative Assembly. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Project management oversight | Section 10 would require 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. | Section 16 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. |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. |
| Higher education trends - Report | | Section 18 provides for the chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. |
| Academic program approval | | Section 20 requires the state board of higher education to approve institution requests for new academic programs within 30 days. |
| Disclosure of financial condition | | Section 21 requires the state board of higher education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. |
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. | Sections 25 through 27 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 37 eliminates the allocation of higher education challenge grant funds for the UND School of Law, however funding would still be made available under the UND allocation. Section 37 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. |
| Workforce development council | | Section 28 provides for the workforce development council to replace the workforce education advisory council, which is eliminated in Section 37. |
| Capital project requests - Matching funds | | Section 29 requires institutions to identify matching funds for future capital project requests for state funds. |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. | Section 30 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 31 adjusts the base credit-hour funding rates of the higher education funding formula. Section 32 restores the 96 percent minimum amount payable provision in the higher education funding formula. |
| Student financial assistance grants | | Section 34 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 45 declares section 34 to be an emergency measure. |
| Digitization of Theodore Roosevelt documents | | Section 35 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. |
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | Section 36 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Transfer authority | Section 12 would provide 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 assets. | Section 38 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 assets. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| FTE positions | Section 13 would authorize 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. | Section 39 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. |
| Capital building fund - Matching funds exemption | | Section 40 provides an exemption to allow LRSC to use moneys in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital | Sections 41 and 42 provide exemptions for institutions to continue appropriation authority for various capital projects. |
| Tuition rate increase limitation | | Section 43 provides for a tuition freeze, excluding certain high cost programs which are limited to a tuition rate increase of 1 percent per year. |
| Dental hygienist credits | | Section 44 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. | |

2/15/23

23.0232.01019
Title.

Fiscal No. 1

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division Committee
February 14, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact five new sections to chapter 15-10 and section 15-18.2-06.1 of the North Dakota Century Code, relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; to amend and reenact sections 15-10-38.1, 15-10-38.2, 15-10-38.3, subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-49, subsection 2 of section 15-10-49, sections 15-10-57 and 15-10-63, subdivision k of subsection 1 of section 15-18.2-02, subsection 1 of section 15-18.2-05, section 15-54.1-02, subsection 1 of section 15-62.4-03, subdivision c of subsection 2 of section 54-07-12, and section 54-44.1-11 of the North Dakota Century Code, relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; to repeal sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code, relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program;"

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; to provide legislative intent; and to declare an emergency"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 30

Page 7, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 2,703,085 | 11,308,655 |
| Core technology services | 62,962,817 | 7,863,991 | 70,826,808 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |

| | | | |
|---|---|---|---|
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 36,000,000 | 36,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 | 4,500,000 |
| Passthrough grants | 0 | 20,100,000 | 20,100,000 |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| Total general fund | $116,898,476 | $93,179,187 | $210,077,663 |
| Full-time equivalent positions | 158.83 | 4.00 | 162.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $6,815,663 | $107,387,050 |
| Capital assets | 1,922,561 | 31,500,000 | 33,422,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| Total general fund | $32,084,055 | $4,118,929 | $36,202,984 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $1,913,818 | $41,064,731 |
| Capital assets | 362,667 | 600,000 | 962,667 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| Total general fund | $14,242,152 | $967,690 | $15,209,842 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,619,856 | $36,664,160 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| Total general fund | $11,286,737 | $1,872,380 | $13,159,117 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $52,555,093 | $954,728,423 |
| Capital assets | 4,411,566 | 190,000,000 | 194,411,566 |
| National security initiative | 0 | 45,000,000 | 45,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| Total general fund | $150,927,125 | $72,802,227 | $223,729,352 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $40,359,558 | $796,408,879 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Workforce education | 0 | 4,800,000 | 4,800,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| Total general fund | $138,431,325 | $25,959,623 | $164,390,948 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $4,650,059 | $100,197,524 |
| Capital assets | 1,012,379 | 19,975,000 | 20,987,379 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |

| | | | |
|---|---|---|---|
| Total general fund | $35,714,792 | $2,598,858 | $38,313,650 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $4,755,696 | $55,581,756 |
| Capital assets | 409,078 | 18,000,000 | 18,409,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| Total general fund | $20,242,730 | $3,661,077 | $23,903,807 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $4,577,144 | $55,180,420 |
| Capital assets | 358,992 | 0 | 358,992 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $4,885,878 | $55,848,146 |
| Less estimated income | 32,282,440 | 1,763,104 | 34,045,544 |
| Total general fund | $18,679,828 | $3,122,774 | $21,802,602 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $9,659,724 | $113,814,501 |
| Capital assets | 1,099,620 | 11,865,000 | 12,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| Total general fund | $41,206,630 | $6,190,163 | $47,396,793 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $4,626,767 | $54,710,167 |
| Capital assets | 455,823 | 35,500,000 | 35,955,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |

| | | | |
|---|---|---|---|
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| Total general fund | $24,161,377 | $3,425,923 | $27,587,300 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,023,135 | $25,663,190 |
| Capital assets | 114,007 | 5,300,000 | 5,414,007 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| Total general fund | $9,537,862 | $1,653,513 | $11,191,375 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $17,796,430 | $236,049,488 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| Total general fund | $68,122,959 | $12,013,712 | $80,136,671 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,252,937 | $24,596,002 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| Total general fund | $4,792,478 | $783,043 | $5,575,521 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $232,349,099 | $918,677,625 |
| Grand total special funds | 1,926,770,039 | 546,804,929 | 2,473,574,968 |
| Grand total all funds | $2,613,098,565 | $779,154,028 | $3,392,252,593" |

Page 7, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 7, line 4, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 7, replace line 6 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $293,290,000 |
| Capital projects - other funds | 4,363,000 | 170,363,939 |
| University of North Dakota national security initiative | 0 | 45,000,000 |
| North Dakota state university workforce education | 0 | 4,800,000" |

Page 7, replace lines 22 through 26 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 36,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 |
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,554,354 |
| Passthrough grants | 0 | 20,100,000 |
| Total all funds | $207,876,121 | $589,698,917 |
| Total other funds | 190,851,121 | 463,653,939 |
| Total general fund | $17,025,000 | $126,044,978 |

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The state board of higher education shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 7, line 28, after "**APPROPRIATION**" insert "**- EXEMPTION**"

Page 8, line 5, after the period insert "Notwithstanding section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts appropriated in sections 1 and 4 of this Act may spend those funds for the capital project.

**SECTION 4. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - MAYVILLE STATE UNIVERSITY - OLD MAIN RENOVATION - ONE-TIME FUNDING.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of $49,970,100, or so much of the sum as may be necessary, to Mayville state university for the purpose of renovating old main, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Page 8, line 8, after the second "institution" insert ", excluding the university of North Dakota and North Dakota state university,"

Page 8, line 8, replace "two dollars" with "one dollar"

Page 8, line 10, after the period insert "The university of North Dakota and North Dakota state university shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The grand total special funds line item in subdivision 15 of section 1 of this Act includes $293,290,000 from the strategic investment and improvements fund for capital projects as follows:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $29,900,000 |
| Williston state college medical healthcare building | 34,750,000 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| University of North Dakota science, technology, engineering, and math building | 52,000,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 18,975,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Minot state university academic building | 7,600,000 |
| Valley City state university McCarthy hall renovation | 11,500,000 |
| Dakota college at Bottineau old main renovation | 4,300,000 |
| Total strategic investment and improvements fund | $293,290,000 |

**SECTION 7. NORTH DAKOTA STATE UNIVERSITY - WORKFORCE EDUCATION - REPORT.** The appropriation in subdivision 6 of section 1 of this Act includes $4,800,000 from the general fund for North Dakota state university for the purpose of creating or expanding programs and enrollment initiatives, as identified by the North Dakota state university president, to address the workforce needs of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding may only be used to create or expand programs and initiatives and may not be used for programs that have been closed or reduced by North Dakota state university since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding identified in this section.

**SECTION 8. STUDENT SUPPORT FOR SINGLE MOTHERS - PILOT PROGRAM - REPORT.**

1. The appropriation in subdivision 1 of section 1 of this Act includes the sum of $4,500,000 from the general fund for the purpose of supporting single mothers, for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. The state board of higher education may provide up to $250,000 to each institution under its control, each tribally controlled community college in this state, the university of Jamestown, and the university of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.

3. An eligible institution in subsection 2 must submit an application to the state board of higher education in order to receive funding under this section. The application must include the institution's plan identifying how the funding would benefit students enrolled at the institution, the estimated number of students impacted, and the estimated cost.

4. A student enrolled at an eligible institution in subsection 2 is eligible for support under this section if the student is residing in this state and is:

a. An unmarried pregnant individual who is experiencing an unintended pregnancy;

b. An unmarried mother who experienced an unintended birth while attending the institution; or

c. An unmarried mother with a child or children under four years of age.

5. Funding awarded under this section may be used for on-campus room and board and the costs of providing on-campus day care for the children of students eligible pursuant to subsection 4.

6. If any available dollars have not been granted to an institution by the board before December 31, 2024, the board may allow institutions in subsection 2 to submit applications for any unused funding for the purposes of this section.

7. The state board of higher education may adopt policies and procedures as necessary to enact this section.

8. The state board of higher education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the results of this program, including the number of students assisted at each institution.

**SECTION 9. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - NORTH DAKOTA STATE UNIVERSITY.** Of the funding appropriated in subdivision 1 of section 1 of chapter 31 of the 2021 Session Laws for the biennium beginning July 1, 2021, and ending June 30, 2023, that is continued pursuant to section 54-44.1-11, the state board of higher education shall transfer $367,000 to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

**SECTION 10. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North Dakota university system office a total of $1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. The estimated income line item in subdivision 1 of section 1 includes $1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

**SECTION 11. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce student loan repayment program fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 12. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget shall transfer $29,000,000 from the strategic investment and improvements fund to the university system capital building fund during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

| | Tier II | Tier III | Total |
|---|---|---|---|
| Bismarck state college | $851,386 | $500,000 | $1,351,386 |
| Lake Region state college | 354,750 | 500,000 | 854,750 |
| Williston state college | 275,894 | 500,000 | 775,894 |
| University of North Dakota | 8,723,602 | 2,250,000 | 10,973,602 |
| North Dakota state university | 5,799,192 | 2,250,000 | 8,049,192 |
| North Dakota state college of science | 1,001,390 | 500,000 | 1,501,390 |
| Dickinson state university | 537,724 | 500,000 | 1,037,724 |
| Mayville state university | 480,058 | 500,000 | 980,058 |
| Minot state university | 1,145,602 | 500,000 | 1,645,602 |
| Valley City state university | 618,274 | 500,000 | 1,118,274 |
| Dakota college at Bottineau | 212,128 | 500,000 | 712,128 |
| Total | $20,000,000 | $9,000,000 | $29,000,000 |

**SECTION 14. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-eighth legislative assembly:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $31,500,000 |
| Lake region state college wind turbine gearbox replacement | 600,000 |
| Williston state college medical healthcare building | 36,600,000 |
| University of North Dakota science, engineering, and national security corridor | 82,000,000 |
| University of North Dakota science, technology, engineering, and math building | 75,000,000 |
| North Dakota state university center for engineering and computational sciences | 84,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 19,975,000 |
| Dickinson state university agriculture and technical education building | 18,000,000 |
| Minot state university academic building | 8,000,000 |
| Valley City state university McCarthy hall renovation | 13,500,000 |
| Dakota college at Bottineau old main renovation | 5,300,000 |
| Total | $374,475,000 |

**SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE INTENT.**

1. The state board of higher education may not include requests for any state funds for capital projects in its budget request submitted to the sixty-ninth legislative assembly. The state board of higher education may request other funds appropriation authority from the sixty-ninth legislative assembly for projects funded from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds.

2. It is the intent of the sixty-eighth legislative assembly that this Act includes all capital projects to be appropriated funding from the state, excluding projects that receive funding solely from local funds, gifts, grants,

donations, the institution's allocation in the university system capital building fund, or revenue bonds, during the period beginning July 1, 2023, and ending June 30, 2027.

3. An institution must have possession of local matching funds allocated to a project prior to expending any funding from the strategic investment and improvements fund for the project.

4. If an institution is unable to provide the appropriated amount of matching funds for a capital project provided for in this Act, the institution may only spend a proportional amount of funding from the strategic investment and improvements fund for the project. If an institution is unable to provide necessary matching funds by June 30, 2027, to complete the project in whole or in part, the appropriation from the strategic investment and improvements fund must be canceled.

5. Any inflationary or other costs associated with previously approved projects must be paid from the institution's local funds or the institution's allocation in the university system capital building fund.

**SECTION 16. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

**SECTION 17. UNIVERSITY OF NORTH DAKOTA - SCHOOL OF MEDICINE AND HEALTH SCIENCES - OPERATIONS.** The operations line items in subdivision 5 and 13 of section 1 of this Act include a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2023, and ending June 30, 2025. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

**SECTION 18.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**State commissioner of higher education - Higher education trends - Report to budget section.**

The state commissioner of higher education shall provide an annual report to the budget section regarding trends in higher education, including state and regional student enrollment, North Dakota university system institution reserves, state and regional tuition rates, state and regional student financial assistance, and the North Dakota university system's response to the trends and changes, including new or expanded educational programs, closed programs, and future budget requests.

**SECTION 19.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Severance agreements - Funding - Emergency commission and budget section approval.**

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement. Emergency commission and budget section approval is required before the board may expend any funds pursuant to this section. When considering the request, the budget section shall consider the amount obligated to the individual named in the severance agreement pursuant to the individual's employment contract with the board or institution under the control of the board, the cost of the severance agreement, and the justification for the severance agreement provided by the board.

**SECTION 20.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Academic program approval.**

The state board of higher education shall approve or deny a request from an institution under its control for a new or expanded academic program within thirty days of the institution submitting its request for the program to the commissioner of higher education.

**SECTION 21.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Disclosure of financial condition.**

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher education may require the qualified applicants to sign a nondisclosure agreement prior to receiving the disclosure of financial condition.

**SECTION 22.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Campus policies and procedures.**

The president of an institution under the control of the state board of higher education may adopt policies, procedures, and directives for the institution, with input but no authoritative control from faculty and others through shared governance. The commissioner of higher education and the state board of higher education may overturn or amend the president's policies, procedures, and directives.

**SECTION 23. AMENDMENT.** Section 15-10-38.1 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce student loan repayment program fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce student loan repayment program fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and loan repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of distributing student loan repayment grants directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The state board of higher education may transfer money between this fund and the skilled workforce scholarship fund established in section 15-10-38.2.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce student loan repayment program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. Graduates of degree or certificate programs from institutions or entities in any state may apply for the skilled workforce student loan repayment program. To be eligible to receive student loan repayment grants under the program, the applicant:

   a. Must have successfully completed an educational program from an institution of higher education;

   b. Must have a student loan with the Bank of North Dakota or other participating lender;

   c. Following completion of an educational program, must reside and work in this state in an eligible high-demand or emerging occupation; and

   d. Must have met and shall continue to meet any requirements established in applicable state board of higher education procedures.

5. The state board of higher education shall adopt procedures to ensure compliance with residency and occupation requirements after completion of the educational program.

6. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or

one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.

7. If an individual is receiving loan forgiveness under any other state program, the individual may not receive a student loan repayment grant under this section during the same application year. ~~An individual who received a skilled workforce scholarship under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~

8. An individual may receive a combined total of no more than seventeen thousand dollars under this section and the skilled workforce scholarship program under section 15-10-38.2.

9. ~~The skilled workforce student loan repayment program must be a joint public and private effort.~~ The state board of higher education shall provide one dollar of funding for each one dollar of ~~funding~~funds raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.

10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The number of applicants, eligible applicants, and applicants receiving awards;

    c. The amount of ~~private funding~~matching funds raised; and

    d. The average and total amounts awarded under the program.

**SECTION 24. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, tribally controlled community colleges, state-approved educator training programs, and North Dakota institutions approved to operate by the North Dakota board of career and technical education. The state board of higher education may transfer money

between this fund and the skilled workforce student loan repayment program fund established in section 15-10-38.1.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program is a program resulting in attainment of an associate's degree or lower credential ~~upon successful completion of a~~ program that may be completed within four semesters ~~or~~, six quarters, or the final two years of a baccalaureate program. A qualifying educational program also must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.

5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.

6. To be eligible for a scholarship ~~and~~ payment under this section, a student must be enrolled full time in an eligible program and have at least a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.

7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.

8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain either a 2.5 cumulative grade point average or academic progress according to program requirements while enrolled, withdraws voluntarily or

involuntarily before the completion of the program for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.

9. The state board of higher education, in conjunction with the Bank of North Dakota, may allow an individual who received payment under this section to delay or cancel repayment under this section due to financial difficulty, military service, death, or total disability.

10. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.

11. ~~The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state.~~The state board of higher education shall provide one dollar of funding for each one dollar raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce scholarship fund.

12. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The qualifying educational programs;

    c. The number of applicants, eligible applicants, and applicants receiving awards;

    d. The amount of ~~private funding~~matching funds raised; and

    e. The average and total amounts awarded under the program.

**SECTION 25. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.3. Scholarship and loan forgiveness administrative costs - ~~Continuing appropriation. (Effective through July 31, 2023)~~**

The state board of higher education shall retain up to one and one-half percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for promotion and administration of the programs under those sections.

~~**Scholarship and loan forgiveness administrative costs - Continuing appropriation. (Effective after July 31, 2023)** The state board of higher education shall retain up to one-half of one percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for administration of the programs under those sections.~~

**SECTION 26. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to ~~one million seven hundred thousand~~five million dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~one million five hundred thousand~~four million dollars in matching grants ~~for projects at~~each to the university of North Dakota school of medicine and health sciences and the North Dakota state university main research center. Of the amount available to the university of North Dakota, two hundred fifty thousand dollars must be awarded for projects dedicated to projects at the school of law.

**SECTION 27. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to:

(1) ~~Nine hundred fifty thousand~~Three million dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;

(2) ~~Seven hundred thousand~~Two million dollars each to Dickinson state university, Mayville state university, and Valley City state university; and

(3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college.

**SECTION 28. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.

b. An application submitted under this subsection must meet the same criteria as an original application.

c. The board shall prioritize available dollars allocated in paragraph 1 of subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 2 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 3 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of subsection 1.

d. After considering applications pursuant to subdivision c, the board shall consider each application submitted under this subsection in chronological order.

~~d.~~e. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

**SECTION 29. AMENDMENT.** Section 15-10-57 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-57. Unified workforce, vocational, and technical education program system.**

The state board of higher education shall establish and maintain a unified system to offer workforce training, vocational education, and technical education programs at institutions under its control. The board shall periodically review programs offered by institutions under its control and revise program offerings based on the workforce needs of the state identified by the workforce ~~education advisory~~development council. The board shall develop administrative arrangements that make possible the efficient use of facilities and staff. The board shall limit administrative costs by eliminating duplicative administrative positions.

**SECTION 30. AMENDMENT.** Section 15-10-63 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-63. Capital projects.**

1. The university of North Dakota and North Dakota state university shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least thirty percent of the total estimated cost of a capital project request submitted to the legislative assembly.

2. Bismarck state college, lake region state college, Williston state college, the North Dakota state college of science, Dickinson state university, Mayville state university, Minot state university, Valley City state university, and Dakota college at Bottineau shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least five percent of the total estimated cost of a capital project request submitted to the legislative assembly.

3. An institution under the control of the state board of higher education may undertake a facility renovation project only if the project will reduce the deferred maintenance amount of the facility by no less than seventy five percent of the total cost of the renovation. The institution shall maintain documentation that demonstrates the cost and scope of the deferred maintenance reduction that results directly from the renovation. This subsection does not apply to projects undertaken solely to correct building code deficiencies or to installations of infrastructure determined by the board to be essential to the mission of the institution.

~~2.~~4. Facility construction and renovation projects undertaken by an institution under the control of the state board of higher education must conform to campus master plan and space utilization requirements approved by the state board of higher education.

**SECTION 31. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

k. The ~~factors~~factor for credits completed in career and technical education ~~are:~~

~~(1) 3.0 for lower division credits; and~~

~~(2) 5.0 for upper division credits~~is 5.0.

**SECTION 32. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided under subsections 2 and 3, to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.2-03 by a base amount of:

   a. ~~$61.81~~$72.39 in the case of North Dakota state university and the university of North Dakota;

   b. ~~$92.60~~$102.78 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and

   c. ~~$98.84~~$109.30 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.

**SECTION 33.** Section 15-18.2-06.1 of the North Dakota Century Code is created and enacted as follows:

**Base funding - minimum amount payable.**

Notwithstanding any calculations required by this chapter, during each biennium an institution may not receive less than ninety-six percent of the state aid to which the institution was entitled under this chapter during the previous biennium.

**SECTION 34. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**15-54.1-02. Capital building funds - Uses - Reports.**

Subject to tier II and tier III capital building fund matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for projects specifically authorized by the legislative assembly to use university system capital building fund moneys. In addition, after an institution has matched and committed seventy-five percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to state board of higher education approval and matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for extraordinary repairs and deferred maintenance projects for academic and student housing facilities that do not increase the overall square footage of a building. The state board of higher education shall report biennially to the legislative management and to the appropriations committees of the legislative assembly on the use of funding in the university system capital building fund, the source of matching funds, and each institution's five-year plan for capital construction spending.

**SECTION 35. AMENDMENT.** Subsection 1 of section 15-62.4-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state board of higher education shall provide to each eligible student a financial assistance grant in an amount not exceeding:

a. One thousand ~~one hundred~~six hundred fifty dollars per semester; or

b. ~~Seven hundred thirty-three~~One thousand one hundred dollars per quarter.

**SECTION 36. AMENDMENT.** Subdivision c of subsection 2 of section 54-07-12 of the North Dakota Century Code is amended and reenacted as follows:

c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota for the purpose of ~~creating an endowment to digitize~~digitizing documents relating to Theodore Roosevelt and for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

**SECTION 37. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2023~~2025)**

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.

2. Major repair or improvement projects.

3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.

4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.

6. Authorized ongoing information technology projects.

**Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, ~~2023~~2025)** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**SECTION 38. REPEAL.** Sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code are repealed."

Page 8, after line 22, insert:

"**SECTION 41. EXEMPTION - CAPITAL BUILDING FUND - LAKE REGION STATE COLLEGE - ESTIMATED INCOME.** The estimated income line item in subdivision 3 of section 1 of this Act includes $600,000 from the Lake Region state college allocation in the university system capital building fund. This amount is for the replacement of the wind turbine gear box and is not subject to matching requirements under chapter 15-54.1.

**SECTION 42. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts remaining from the $49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 43. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amounts appropriated from federal funds derived from the state fiscal recovery fund to the state board of higher education and institutions under the control of the

state board of higher education in section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and programs are available for the projects and programs during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 44. TUITION RATE INCREASE LIMITATIONS.**

1. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

2. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

5. This section does not apply to tuition rates for nonresident students attending institutions of higher education under the control of the state board of higher education. For purposes of this section, the residency of students for tuition purposes must be determined under section 15-10-19.1.

6. This section does not apply to tuition rates determined under tuition reciprocity agreements entered into by the state board of higher education with other states or state education compacts.

7. For purposes of this section, an institution must calculate a resident tuition rate increase based on the tuition rate paid by an average full-time resident student.

**SECTION 45. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-eighth legislative assembly that dental hygienist courses be transferred to the

career and technical education instructional program classification within the higher education funding formula.

**SECTION 46. EMERGENCY.** Section 35 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of House Action**

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | | | |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| General fund | $116,898,476 | $93,179,187 | $210,077,663 |
| FTE | 158.83 | 4.00 | 162.83 |
| Bismarck State College | | | |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| General fund | $32,084,055 | $4,118,929 | $36,202,984 |
| FTE | 332.90 | 2.43 | 335.33 |
| Lake Region State College | | | |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| General fund | $14,242,152 | $967,690 | $15,209,842 |
| FTE | 115.76 | 4.83 | 120.59 |
| Williston State College | | | |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| General fund | $11,286,737 | $1,872,380 | $13,159,117 |
| FTE | 101.29 | 1.54 | 102.83 |
| University of North Dakota | | | |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| General fund | $150,927,125 | $72,802,227 | $223,729,352 |
| FTE | 2,059.98 | 0.58 | 2,060.56 |
| UND Medical Center | | | |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| General fund | $68,122,959 | $12,013,712 | $80,136,671 |
| FTE | 492.67 | (3.84) | 488.83 |
| North Dakota State University | | | |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| General fund | $138,431,325 | $25,959,623 | $164,390,948 |
| FTE | 1,829.43 | 38.07 | 1,867.50 |
| State College of Science | | | |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |
| General fund | $35,714,792 | $2,598,858 | $38,313,650 |
| FTE | 311.61 | 2.34 | 313.95 |

| | | | |
|---|---|---|---|
| Dickinson State University | | | |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| General fund | $20,242,730 | $3,661,077 | $23,903,807 |
| FTE | 175.50 | 2.50 | 178.00 |
| Mayville State University | | | |
| Total all funds | $50,962,268 | $54,855,978 | $105,818,246 |
| Less estimated income | 32,282,440 | 51,733,204 | 84,015,644 |
| General fund | $18,679,828 | $3,122,774 | $21,802,602 |
| FTE | 230.35 | (3.43) | 226.92 |
| Minot State University | | | |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| General fund | $41,206,630 | $6,190,163 | $47,396,793 |
| FTE | 403.04 | 20.59 | 423.63 |
| Valley City State University | | | |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| General fund | $24,161,377 | $3,425,923 | $27,587,300 |
| FTE | 202.77 | 9.17 | 211.94 |
| Dakota College at Bottineau | | | |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| General fund | $9,537,862 | $1,653,513 | $11,191,375 |
| FTE | 91.86 | (7.86) | 84.00 |
| Forest Service | | | |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| General fund | $4,792,478 | $783,043 | $5,575,521 |
| FTE | 28.00 | 1.00 | 29.00 |
| Bill total | | | |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| Less estimated income | 1,926,770,039 | 596,775,029 | 2,523,545,068 |
| General fund | $686,328,526 | $232,349,099 | $918,677,625 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

## House Bill No. 1003 - North Dakota University System - General Fund Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $116,898,476 | $93,179,187 | $210,077,663 |
| Bismarck State College | 32,084,055 | 4,118,929 | 36,202,984 |
| Lake Region State College | 14,242,152 | 967,690 | 15,209,842 |
| Williston State College | 11,286,737 | 1,872,380 | 13,159,117 |
| University of North Dakota | 150,927,125 | 72,802,227 | 223,729,352 |
| UND Medical Center | 68,122,959 | 12,013,712 | 80,136,671 |
| North Dakota State University | 138,431,325 | 25,959,623 | 164,390,948 |
| State College of Science | 35,714,792 | 2,598,858 | 38,313,650 |
| Dickinson State University | 20,242,730 | 3,661,077 | 23,903,807 |
| Mayville State University | 18,679,828 | 3,122,774 | 21,802,602 |
| Minot State University | 41,206,630 | 6,190,163 | 47,396,793 |
| Valley City State University | 24,161,377 | 3,425,923 | 27,587,300 |
| Dakota College at Bottineau | 9,537,862 | 1,653,513 | 11,191,375 |
| Forest Service | 4,792,478 | 783,043 | 5,575,521 |
| Total general fund | $686,328,526 | $232,349,099 | $918,677,625 |

## Detail of House Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $93,179,187 | | | | | |
| Bismarck State College | | $3,914,929 | | | $204,000 | |
| Lake Region State College | | 858,690 | | | 109,000 | |
| Williston State College | | 1,703,240 | | | 169,140 | |
| University of North Dakota | | 23,941,127 | | $3,201,100 | 660,000 | |
| UND Medical Center | | 12,013,712 | | | | |
| North Dakota State University | | 16,858,523 | | 3,201,100 | 1,100,000 | |
| State College of Science | | 2,412,108 | | | 186,750 | |
| Dickinson State University | | 3,334,077 | | | 327,000 | |
| Mayville State University | | 2,814,040 | | | 308,734 | |
| Minot State University | | 6,020,163 | | | 170,000 | |
| Valley City State University | | 3,189,923 | | | 236,000 | |
| Dakota College at Bottineau | | 1,483,513 | | | 170,000 | |
| Forest Service | | | | | | |
| Total general fund | $93,179,187 | $78,544,045 | $0 | $6,402,200 | $3,640,624 | $0 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total the General Fund Changes |
|---|---|---|---|
| University System Office | | | $93,179,187 |
| Bismarck State College | | | 4,118,929 |
| Lake Region State College | | | 967,690 |
| Williston State College | | | 1,872,380 |
| University of North Dakota | $45,000,000 | | 72,802,227 |
| UND Medical Center | | | 12,013,712 |
| North Dakota State University | 4,800,000 | | 25,959,623 |
| State College of Science | | | 2,598,858 |
| Dickinson State University | | | 3,661,077 |
| Mayville State University | | | 3,122,774 |
| Minot State University | | | 6,190,163 |
| Valley City State University | | | 3,425,923 |
| Dakota College at Bottineau | | | 1,653,513 |
| Forest Service | | $783,043 | 783,043 |
| Total general fund | $49,800,000 | $783,043 | $232,349,099 |

## House Bill No. 1003 - North Dakota University System - Other Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $25,757,035 | $872,198 | $26,629,233 |
| Bismarck State College | 70,409,893 | 34,400,734 | 104,810,627 |
| Lake Region State College | 25,271,428 | 1,655,128 | 26,926,556 |
| Williston State College | 24,019,535 | 44,830,555 | 68,850,090 |
| University of North Dakota | 755,657,771 | 218,613,966 | 974,271,737 |
| UND Medical Center | 160,806,249 | 5,782,718 | 166,588,967 |
| North Dakota State University | 625,417,100 | 130,501,035 | 755,918,135 |
| State College of Science | 60,845,052 | 22,212,951 | 83,058,003 |
| Dickinson State University | 30,992,408 | 19,421,619 | 50,414,027 |
| Mayville State University | 32,282,440 | 51,733,204 | 84,015,644 |
| Minot State University | 64,047,767 | 15,504,561 | 79,552,328 |
| Valley City State University | 26,377,846 | 36,936,844 | 63,314,690 |
| Dakota College at Bottineau | 14,216,200 | 5,839,622 | 20,055,822 |
| Forest Service | 10,669,315 | 8,469,894 | 19,139,209 |
| Total other funds | $1,926,770,039 | $596,775,029 | $2,523,545,068 |

## Detail of House Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $872,198 | | | | | |
| Bismarck State College | | | $2,900,734 | | | $31,500,000 |
| Lake Region State College | | | 1,055,128 | | | 600,000 |
| Williston State College | | | 916,616 | | | 43,913,939 |
| University of North Dakota | | | 28,613,966 | | | 190,000,000 |
| UND Medical Center | | | 5,782,718 | | | |
| North Dakota State University | | | 23,501,035 | | | 107,000,000 |
| State College of Science | | | 2,237,951 | | | 19,975,000 |
| Dickinson State University | | | 1,421,619 | | | 18,000,000 |
| Mayville State University | | | 1,763,104 | | | 49,970,100 |
| Minot State University | | | 3,639,561 | | | 11,865,000 |
| Valley City State University | | | 1,436,844 | | | 35,500,000 |
| Dakota College at Bottineau | | | 539,622 | | | 5,300,000 |
| Forest Service | | | | | | |
| Total other funds | $872,198 | $0 | $73,808,898 | $0 | $0 | $513,624,039 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total Other Funds Changes |
|---|---|---|---|
| University System Office | | | $872,198 |
| Bismarck State College | | | 34,400,734 |
| Lake Region State College | | | 1,655,128 |
| Williston State College | | | 44,830,555 |
| University of North Dakota | | | 218,613,966 |
| UND Medical Center | | | 5,782,718 |
| North Dakota State University | | | 130,501,035 |
| State College of Science | | | 22,212,951 |
| Dickinson State University | | | 19,421,619 |
| Mayville State University | | | 51,733,204 |
| Minot State University | | | 15,504,561 |
| Valley City State University | | | 36,936,844 |
| Dakota College at Bottineau | | | 5,839,622 |
| Forest Service | | $8,469,894 | 8,469,894 |
| Total other funds | $0 | $8,469,894 | $596,775,029 |

## House Bill No. 1003 - North Dakota University System - All Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $142,655,511 | $94,051,385 | $236,706,896 |
| Bismarck State College | 102,493,948 | 38,519,663 | 141,013,611 |
| Lake Region State College | 39,513,580 | 2,622,818 | 42,136,398 |
| Williston State College | 35,306,272 | 46,702,935 | 82,009,207 |
| University of North Dakota | 906,584,896 | 291,416,193 | 1,198,001,089 |
| UND Medical Center | 228,929,208 | 17,796,430 | 246,725,638 |
| North Dakota State University | 763,848,425 | 156,460,658 | 920,309,083 |
| State College of Science | 96,559,844 | 24,811,809 | 121,371,653 |
| Dickinson State University | 51,235,138 | 23,082,696 | 74,317,834 |
| Mayville State University | 50,962,268 | 54,855,978 | 105,818,246 |
| Minot State University | 105,254,397 | 21,694,724 | 126,949,121 |
| Valley City State University | 50,539,223 | 40,362,767 | 90,901,990 |
| Dakota College at Bottineau | 23,754,062 | 7,493,135 | 31,247,197 |
| Forest Service | 15,461,793 | 9,252,937 | 24,714,730 |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

## Detail of House Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $94,051,385 | | | | | |
| Bismarck State College | | $3,914,929 | $2,900,734 | | $204,000 | $31,500,000 |
| Lake Region State College | | 858,690 | 1,055,128 | | 109,000 | 600,000 |
| Williston State College | | 1,703,240 | 916,616 | | 169,140 | 43,913,939 |
| University of North Dakota | | 23,941,127 | 28,613,966 | $3,201,100 | 660,000 | 190,000,000 |
| UND Medical Center | | 12,013,712 | 5,782,718 | | | |
| North Dakota State University | | 16,858,523 | 23,501,035 | 3,201,100 | 1,100,000 | 107,000,000 |
| State College of Science | | 2,412,108 | 2,237,951 | | 186,750 | 19,975,000 |
| Dickinson State University | | 3,334,077 | 1,421,619 | | 327,000 | 18,000,000 |
| Mayville State University | | 2,814,040 | 1,763,104 | | 308,734 | 49,970,100 |
| Minot State University | | 6,020,163 | 3,639,561 | | 170,000 | 11,865,000 |
| Valley City State University | | 3,189,923 | 1,436,844 | | 236,000 | 35,500,000 |
| Dakota College at Bottineau | | 1,483,513 | 539,622 | | 170,000 | 5,300,000 |
| Forest Service | | | | | | |
| Total all funds | $94,051,385 | $78,544,045 | $73,808,898 | $6,402,200 | $3,640,624 | $513,624,039 |
| FTE | 4.00 | 0.00 | 66.92 | 0.00 | 0.00 | 0.00 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total All Funds Changes |
|---|---|---|---|
| University System Office | | | $94,051,385 |
| Bismarck State College | | | 38,519,663 |
| Lake Region State College | | | 2,622,818 |
| Williston State College | | | 46,702,935 |
| University of North Dakota | $45,000,000 | | 291,416,193 |
| UND Medical Center | | | 17,796,430 |
| North Dakota State University | 4,800,000 | | 156,460,658 |
| State College of Science | | | 24,811,809 |
| Dickinson State University | | | 23,082,696 |
| Mayville State University | | | 54,855,978 |
| Minot State University | | | 21,694,724 |
| Valley City State University | | | 40,362,767 |
| Dakota College at Bottineau | | | 7,493,135 |
| Forest Service | | $9,252,937 | 9,252,937 |
| Total all funds | $49,800,000 | $9,252,937 | $829,124,128 |
| FTE | 0.00 | 1.00 | 71.92 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | 4.00 | $74,578 | | $74,578 |
| Salary increase | | 398,183 | $16,289 | 414,472 |
| Health insurance increase | | 112,614 | 5,262 | 117,876 |
| Financial aid staff | | 125,000 | | 125,000 |
| New financial aid system ongoing costs | | 273,180 | | 273,180 |
| New financial aid system one-time costs | | 1,554,354 | | 1,554,354 |
| Capitol space rent model | | 143,625 | | 143,625 |
| Total | 4.00 | $2,681,534 | $21,551 | $2,703,085 |

The following schedule details funding adjustments for Core Technology Services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Base payroll changes | $137,190 | $82,198 | $219,388 |
| Salary increase | 1,041,551 | 525,737 | 1,567,288 |
| Health insurance increase | 395,293 | 242,712 | 638,005 |
| Software and a security operations center | 4,500,000 | | 4,500,000 |
| Replace funding from tuition for salaries and wages | 939,310 | | 939,310 |
| Total | $7,013,344 | $850,647 | $7,863,991 |

The following schedule details funding for passthrough grants:

| | General Fund |
|---|---|
| Fort Abraham Lincoln Foundation Heritage River Landing | $500,000 |
| Bismarck State College polytechnic building | 10,000,000 |
| Minot children's science center | 1,000,000 |
| Dickinson State University Pulver Hall | 2,600,000 |
| Dickinson State University digitization of documents | 1,000,000 |
| North Dakota Gateway to Science | 5,000,000 |
| Total passthrough grants | $20,100,000 |

The following schedule details funding adjustments in other line items in the University System office budget:

| | Base Level | General Fund Adjustment | House Version |
|---|---|---|---|
| Capital assets - Bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Challenge grants (one-time) | 0 | 36,000,000 | 36,000,000 |
| Dakota Digital Academy (one-time) | 0 | 450,000 | 450,000 |
| Workforce education innovation (one-time) | 0 | 10,000,000 | 10,000,000 |
| Single parent support (one-time) | 0 | 4,500,000 | 4,500,000 |
| Total | $55,352,517 | $63,384,309 | $118,736,826 |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

| | Credit-Hour Completion Adjustment | Formula Adjustment | Hold Harmless | Cost to Continue | Salary Increase | Health Insurance Increase | Total Increase |
|---|---|---|---|---|---|---|---|
| Bismarck State College | ($843,194) | $1,306,862 | | $156,583 | $2,043,190 | $1,251,488 | $3,914,929 |
| Dakota College at Bottineau | 428,768 | | | 49,819 | 696,639 | 308,287 | 1,483,513 |
| Lake Region State College | (1,157,713) | 412,756 | $175,271 | 65,404 | 894,717 | 468,255 | 858,690 |
| State College of Science | (4,001,780) | 2,765,148 | | 156,925 | 2,367,340 | 1,124,475 | 2,412,108 |
| Williston State College | 137,487 | 322,613 | | 57,105 | 866,939 | 319,096 | 1,703,240 |
| Dickinson State University | 998,877 | | | 98,272 | 1,450,501 | 786,427 | 3,334,077 |
| Mayville State University | 685,147 | | | 89,590 | 1,365,632 | 673,671 | 2,814,040 |
| Minot State University | 1,342,514 | | | 196,850 | 2,944,280 | 1,536,519 | 6,020,163 |
| Valley City State University | 480,872 | | | 114,005 | 1,635,744 | 959,302 | 3,189,923 |
| North Dakota State University | (7,591,732) | | 2,054,479 | 696,301 | 14,538,568 | 7,160,907 | 16,858,523 |
| University of North Dakota | (1,616,355) | | | 720,276 | 18,985,262 | 5,851,944 | 23,941,127 |
| UND School of Medicine | 1,861,864 | | | 389,953 | 8,400,006 | 1,361,889 | 12,013,712 |
| Total | ($9,275,245) | $4,807,379 | $2,229,750 | $2,791,083 | $56,188,818 | $21,802,260 | $78,544,045 |

Funding is added from the general fund for the 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from $1,429 to $1,648 per month. In addition, approximately $44.7 million from the general fund to pay the tuition portion of a 6 percent and 4 percent salary increase and the tuition portion of the health insurance increase is included in the salary increase and health insurance increase columns.

[3] The following adjustments are made to institution other funds appropriations and FTE positions:

**FTE Position Adjustments**

| | FTE Positions | Salary Increase | Health Insurance Increase | Other Adjustments | Total |
|---|---|---|---|---|---|
| Bismarck State College | 2.43 | $1,636,581 | $974,448 | $289,705 | $2,900,734 |
| Dakota College at Bottineau | (7.86) | 296,773 | 199,582 | 43,267 | 539,622 |
| Lake Region State College | 4.83 | 618,726 | 336,358 | 100,044 | 1,055,128 |
| State College of Science | 2.34 | 1,250,439 | 800,793 | 186,719 | 2,237,951 |
| Williston State College | 1.54 | 556,396 | 278,619 | 81,601 | 916,616 |
| Dickinson State University | 2.50 | 816,325 | 484,388 | 120,906 | 1,421,619 |
| Mayville State University | (3.43) | 907,083 | 730,912 | 125,109 | 1,763,104 |
| Minot State University | 20.59 | 2,113,443 | 1,193,878 | 332,240 | 3,639,561 |
| Valley City State University | 9.17 | 777,588 | 539,086 | 120,170 | 1,436,844 |
| North Dakota State University | 38.07 | 13,934,225 | 7,487,950 | 2,078,860 | 23,501,035 |
| University of North Dakota | 0.58 | 17,040,090 | 8,846,162 | 2,727,714 | 28,613,966 |
| UND School of Medicine | (3.84) | 3,786,917 | 1,405,057 | 590,744 | 5,782,718 |
| Total | 66.92 | $43,734,586 | $23,277,233 | $6,797,079 | $73,808,898 |

[4] One-time funding of $3,640,624 is added for the behavioral health initiative.

[5] One-time funding is added for the following capital building projects:

| | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|
| BSC multipurpose academic and athletic center | $29,900,000 | $1,600,000 | $31,500,000 |
| LRSC wind turbine gearbox | | 600,000 | 600,000 |
| WSC medical healthcare building | 34,750,000 | 1,850,000 | 36,600,000 |
| WSC turf project | | 7,313,939 | 7,313,939 |
| UND EERC facility | | 33,000,000 | 33,000,000 |
| UND science, engineering, and national security corridor | 57,400,000 | 24,600,000 | 82,000,000 |
| UND science, technology, engineering, and math building | 52,000,000 | 23,000,000 | 75,000,000 |
| NDSU music building | | 20,000,000 | 20,000,000 |
| NDSU Sudro Hall expansion | | 3,000,000 | 3,000,000 |
| NDSU center for engineering and computational sciences | 59,000,000 | 25,000,000 | 84,000,000 |
| NDSCS agriculture, automation, and autonomous systems building | 18,975,000 | 1,000,000 | 19,975,000 |
| DSU agriculture and technical education building | 17,100,000 | 900,000 | 18,000,000 |
| MaSU Old Main renovation | 49,970,100 | | 49,970,100 |
| MiSU Dakota Hall demolition | 765,000 | | 765,000 |
| MiSU academic building | 7,600,000 | 400,000 | 8,000,000 |
| MiSU student center renovation | | 3,100,000 | 3,100,000 |
| VCSU Osmon Fieldhouse addition | | 20,000,000 | 20,000,000 |
| VCSU Student Center renovation | | 2,000,000 | 2,000,000 |
| VCSU McCarthy Hall | 11,500,000 | 2,000,000 | 13,500,000 |
| DCB Old Main renovation | 4,300,000 | 1,000,000 | 5,300,000 |
| Total capital projects | $343,260,100 | $170,363,939 | $513,624,039 |

[6] One-time funding of $49.8 million from the general fund is added for the UND national security initiative ($45 million) and NDSU workforce education ($4.8 million).

[7] The following funding adjustments are made for the Forest Service:

**Forest Service**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | | $30,847 | | $30,847 |
| Salary increase of 4 percent per year | | 233,644 | $6,491 | 240,135 |
| Health insurance increase to $1,648 per month | | 131,552 | 5,262 | 136,814 |
| Towner state nursery | | | 200,000 | 200,000 |
| Cooperative fire protection initiative | 1.00 | 187,000 | | 187,000 |
| Forest recreation enhancements | | 200,000 | | 200,000 |
| Grant funding to enhance services | | | 8,258,141 | 8,258,141 |
| Total | 1.00 | $783,043 | $8,469,894 | $9,252,937 |

## House Bill No. 1003 - Other Changes - House Action

This amendment also adds sections to:

- Identify $293,290,000 for various institution capital projects is from SIIF;
- Identify $4.8 million from the general fund appropriated to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs;
- Identify $4.5 million from the general fund appropriated to the University System office is for support for single mothers;
- Provide for a transfer of $367,000 from University System office carryover to NDSU operations for the costs of a severance package;
- Provide future severance agreements be paid from the University System office budget;
- Provide for $1.5 million from Bank of North Dakota profits for the dual-credit tuition scholarship program;
- Continue and expand the career builders program and to provide $15 million from Bank of North Dakota profits for the program;
- Continue the capital building fund program and to provide $29 million from SIIF for the program;
- Restrict the State Board of Higher Education from requesting funding for capital projects from the 69th Legislative Assembly;
- Provide for an annual report to the Budget Section on higher education trends;
- Require the approval of requests for new academic programs within 30 days;
- Require the State Board of Higher Education to provide a disclosure of financial condition to final applicants for the position of president;
- Continue the challenge grant program and to provide $36 million from the general fund for the program;
- Replace the Workforce Education Advisory Council with the Workforce Development Council;
- Require institutions to identify local matching funds for capital project requests;
- Amend the higher education funding formula, including to increase funding for career and technical education credits and to restore the minimum amount payable;
- Increase the maximum award under the student financial assistance grant program;
- Allow Dickinson State University to use funds donated for the digitization of documents relating to Theodore Roosevelt without establishing an endowment;
- Allow the University System to continue unexpended appropriations into the 2023-25 biennium;
- Allow Lake Region State College to use funds from the University System capital building fund to replace a wind turbine gearbox without providing matching funds;
- Allow institutions to continue appropriation authority for various capital projects into the 2023-25 biennium; and
- Limit tuition increases.

23.0232.01020
Title.

Fiscal No. 2

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division Committee
February 16, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact five new sections to chapter 15-10 and section 15-18.2-06.1 of the North Dakota Century Code, relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; to amend and reenact sections 15-10-38.1, 15-10-38.2, 15-10-38.3, subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-49, subsection 2 of section 15-10-49, sections 15-10-57 and 15-10-63, subdivision k of subsection 1 of section 15-18.2-02, subsection 1 of section 15-18.2-05, section 15-54.1-02, subsection 1 of section 15-62.4-03, subdivision c of subsection 2 of section 54-07-12, and section 54-44.1-11 of the North Dakota Century Code, relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; to repeal sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code, relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program;"

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; to provide legislative intent; and to declare an emergency"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 30

Page 7, replace lines 1 and 2 with:

"

NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 2,703,085 | 11,308,655 |
| Core technology services | 62,962,817 | 7,863,991 | 70,826,808 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |

| | | | |
|---|---|---|---|
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 36,000,000 | 36,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 | 4,500,000 |
| Inflationary passthrough grants | 0 | 20,100,000 | 20,100,000 |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| Total general fund | $116,898,476 | $93,179,187 | $210,077,663 |
| Full-time equivalent positions | 158.83 | 4.00 | 162.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $6,815,663 | $107,387,050 |
| Capital assets | 1,922,561 | 31,500,000 | 33,422,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| Total general fund | $32,084,055 | $4,118,929 | $36,202,984 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $1,913,818 | $41,064,731 |
| Capital assets | 362,667 | 600,000 | 962,667 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| Total general fund | $14,242,152 | $967,690 | $15,209,842 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,619,856 | $36,664,160 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| Total general fund | $11,286,737 | $1,872,380 | $13,159,117 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $52,555,093 | $954,728,423 |
| Capital assets | 4,411,566 | 190,000,000 | 194,411,566 |
| National security initiative | 0 | 45,000,000 | 45,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| Total general fund | $150,927,125 | $72,802,227 | $223,729,352 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $40,359,558 | $796,408,879 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Workforce education | 0 | 4,800,000 | 4,800,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| Total general fund | $138,431,325 | $25,959,623 | $164,390,948 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $4,650,059 | $100,197,524 |
| Capital assets | 1,012,379 | 19,975,000 | 20,987,379 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |

| | | | |
|---|---|---|---|
| Total general fund | $35,714,792 | $2,598,858 | $38,313,650 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $4,755,696 | $55,581,756 |
| Capital assets | 409,078 | 18,000,000 | 18,409,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| Total general fund | $20,242,730 | $3,661,077 | $23,903,807 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $4,577,144 | $55,180,420 |
| Capital assets | 358,992 | 0 | 358,992 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $4,885,878 | $55,848,146 |
| Less estimated income | 32,282,440 | 1,763,104 | 34,045,544 |
| Total general fund | $18,679,828 | $3,122,774 | $21,802,602 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $9,659,724 | $113,814,501 |
| Capital assets | 1,099,620 | 11,865,000 | 12,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| Total general fund | $41,206,630 | $6,190,163 | $47,396,793 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $4,626,767 | $54,710,167 |
| Capital assets | 455,823 | 35,500,000 | 35,955,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |

| | | | |
|---|---|---|---|
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| Total general fund | $24,161,377 | $3,425,923 | $27,587,300 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,023,135 | $25,663,190 |
| Capital assets | 114,007 | 5,300,000 | 5,414,007 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| Total general fund | $9,537,862 | $1,653,513 | $11,191,375 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $17,796,430 | $236,049,488 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| Total general fund | $68,122,959 | $12,013,712 | $80,136,671 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,252,937 | $24,596,002 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| Total general fund | $4,792,478 | $783,043 | $5,575,521 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $232,349,099 | $918,677,625 |
| Grand total special funds | 1,926,770,039 | 546,804,929 | 2,473,574,968 |
| Grand total all funds | $2,613,098,565 | $779,154,028 | $3,392,252,593" |

Page 7, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 7, line 4, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 7, replace line 6 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $293,290,000 |
| Capital projects - other funds | 4,363,000 | 170,363,939 |
| University of North Dakota national security initiative | 0 | 45,000,000 |
| North Dakota state university workforce education | 0 | 4,800,000" |

Page 7, replace lines 22 through 26 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 36,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 |
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,554,354 |
| Passthrough grants | 0 | 20,100,000 |
| Total all funds | $207,876,121 | $589,698,917 |
| Total other funds | 190,851,121 | 463,653,939 |
| Total general fund | $17,025,000 | $126,044,978 |

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The state board of higher education shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 7, line 28, after "**APPROPRIATION**" insert "**- EXEMPTION**"

Page 8, line 5, after the period insert "Notwithstanding section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts appropriated in sections 1 and 4 of this Act may spend those funds for the capital project.

**SECTION 4. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - MAYVILLE STATE UNIVERSITY - OLD MAIN RENOVATION - ONE-TIME FUNDING.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of $49,970,100, or so much of the sum as may be necessary, to Mayville state university for the purpose of renovating old main, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Page 8, line 8, after the second "institution" insert ", excluding the university of North Dakota and North Dakota state university,"

Page 8, line 8, replace "two dollars" with "one dollar"

Page 8, line 10, after the period insert "The university of North Dakota and North Dakota state university shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The grand total special funds line item in subdivision 15 of section 1 of this Act includes $293,290,000 from the strategic investment and improvements fund for capital projects as follows:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $29,900,000 |
| Williston state college medical healthcare building | 34,750,000 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| University of North Dakota science, technology, engineering, and math building | 52,000,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 18,975,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Minot state university academic building | 7,600,000 |
| Valley City state university McCarthy hall renovation | 11,500,000 |
| Dakota college at Bottineau old main renovation | 4,300,000 |
| Total strategic investment and improvements fund | $293,290,000 |

**SECTION 7. NORTH DAKOTA STATE UNIVERSITY - WORKFORCE EDUCATION - REPORT.** The appropriation in subdivision 6 of section 1 of this Act includes $4,800,000 from the general fund for North Dakota state university for the purpose of creating or expanding programs and enrollment initiatives, as identified by the North Dakota state university president, to address the workforce needs of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding may only be used to create or expand programs and initiatives and may not be used for programs that have been closed or reduced by North Dakota state university since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding identified in this section.

**SECTION 8. STUDENT SUPPORT FOR SINGLE MOTHERS - PILOT PROGRAM - REPORT.**

1. The appropriation in subdivision 1 of section 1 of this Act includes the sum of $4,500,000 from the general fund for the purpose of supporting single mothers, for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. The state board of higher education may provide up to $250,000 to each institution under its control, each tribally controlled community college in this state, the university of Jamestown, and the university of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.

3. An eligible institution in subsection 2 must submit an application to the state board of higher education in order to receive funding under this section. The application must include the institution's plan identifying how the funding would benefit students enrolled at the institution, the estimated number of students impacted, and the estimated cost.

4. A student enrolled at an eligible institution in subsection 2 is eligible for support under this section if the student is residing in this state and is:

a. An unmarried pregnant individual who is experiencing an unintended pregnancy;

b. An unmarried mother who experienced an unintended birth while attending the institution; or

c. An unmarried mother with a child or children under four years of age.

5. Funding awarded under this section may be used for on-campus room and board and the costs of providing on-campus day care for the children of students eligible pursuant to subsection 4.

6. If any available dollars have not been granted to an institution by the board before December 31, 2024, the board may allow institutions in subsection 2 to submit applications for any unused funding for the purposes of this section.

7. The state board of higher education may adopt policies and procedures as necessary to enact this section.

8. The state board of higher education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the results of this program, including the number of students assisted at each institution.

**SECTION 9. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - NORTH DAKOTA STATE UNIVERSITY.** Of the funding appropriated in subdivision 1 of section 1 of chapter 31 of the 2021 Session Laws for the biennium beginning July 1, 2021, and ending June 30, 2023, that is continued pursuant to section 54-44.1-11, the state board of higher education shall transfer $367,000 to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

**SECTION 10. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North Dakota university system office a total of $1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. The estimated income line item in subdivision 1 of section 1 includes $1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

**SECTION 11. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce student loan repayment program fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 12. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget shall transfer $29,000,000 from the strategic investment and improvements fund to the university system capital building fund during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

| | Tier II | Tier III | Total |
|---|---|---|---|
| Bismarck state college | $851,386 | $500,000 | $1,351,386 |
| Lake Region state college | 354,750 | 500,000 | 854,750 |
| Williston state college | 275,894 | 500,000 | 775,894 |
| University of North Dakota | 8,723,602 | 2,250,000 | 10,973,602 |
| North Dakota state university | 5,799,192 | 2,250,000 | 8,049,192 |
| North Dakota state college of science | 1,001,390 | 500,000 | 1,501,390 |
| Dickinson state university | 537,724 | 500,000 | 1,037,724 |
| Mayville state university | 480,058 | 500,000 | 980,058 |
| Minot state university | 1,145,602 | 500,000 | 1,645,602 |
| Valley City state university | 618,274 | 500,000 | 1,118,274 |
| Dakota college at Bottineau | 212,128 | 500,000 | 712,128 |
| Total | $20,000,000 | $9,000,000 | $29,000,000 |

**SECTION 14. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-eighth legislative assembly:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $31,500,000 |
| Lake region state college wind turbine gearbox replacement | 600,000 |
| Williston state college medical healthcare building | 36,600,000 |
| University of North Dakota science, engineering, and national security corridor | 82,000,000 |
| University of North Dakota science, technology, engineering, and math building | 75,000,000 |
| North Dakota state university center for engineering and computational sciences | 84,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 19,975,000 |
| Dickinson state university agriculture and technical education building | 18,000,000 |
| Minot state university academic building | 8,000,000 |
| Valley City state university McCarthy hall renovation | 13,500,000 |
| Dakota college at Bottineau old main renovation | 5,300,000 |
| Total | $374,475,000 |

**SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE INTENT.**

1. The state board of higher education may not include requests for any state funds for capital projects in its budget request submitted to the sixty-ninth legislative assembly. The state board of higher education may request other funds appropriation authority from the sixty-ninth legislative assembly for projects funded from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds.

2. It is the intent of the sixty-eighth legislative assembly that this Act includes all capital projects to be appropriated funding from the state, excluding projects that receive funding solely from local funds, gifts, grants,

donations, the institution's allocation in the university system capital building fund, or revenue bonds, during the period beginning July 1, 2023, and ending June 30, 2027.

3. An institution must have possession of local matching funds allocated to a project prior to expending any funding from the strategic investment and improvements fund for the project.

4. If an institution is unable to provide the appropriated amount of matching funds for a capital project provided for in this Act, the institution may only spend a proportional amount of funding from the strategic investment and improvements fund for the project. If an institution is unable to provide necessary matching funds by June 30, 2027, to complete the project in whole or in part, the appropriation from the strategic investment and improvements fund must be canceled.

5. Any inflationary or other costs associated with previously approved projects must be paid from the institution's local funds or the institution's allocation in the university system capital building fund.

**SECTION 16. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

**SECTION 17. UNIVERSITY OF NORTH DAKOTA - SCHOOL OF MEDICINE AND HEALTH SCIENCES - OPERATIONS.** The operations line items in subdivision 5 and 13 of section 1 of this Act include a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2023, and ending June 30, 2025. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

**SECTION 18.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**State commissioner of higher education - Higher education trends - Report to budget section.**

The state commissioner of higher education shall provide an annual report to the budget section regarding trends in higher education, including state and regional student enrollment, North Dakota university system institution reserves, state and regional tuition rates, state and regional student financial assistance, and the North Dakota university system's response to the trends and changes, including new or expanded educational programs, closed programs, and future budget requests.

**SECTION 19.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Severance agreements - Funding - Emergency commission and budget section approval.**

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement. Emergency commission and budget section approval is required before the board may expend any funds pursuant to this section. When considering the request, the budget section shall consider the amount obligated to the individual named in the severance agreement pursuant to the individual's employment contract with the board or institution under the control of the board, the cost of the severance agreement, and the justification for the severance agreement provided by the board.

**SECTION 20.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Academic program approval.**

The state board of higher education shall approve or deny a request from an institution under its control for a new or expanded academic program within thirty days of the institution submitting its request for the program to the commissioner of higher education.

**SECTION 21.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Disclosure of financial condition.**

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher education may require the qualified applicants to sign a nondisclosure agreement prior to receiving the disclosure of financial condition.

**SECTION 22.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Campus policies and procedures.**

The president of an institution under the control of the state board of higher education may adopt policies, procedures, and directives for the institution, with input but no authoritative control from faculty and others through shared governance. The commissioner of higher education and the state board of higher education may overturn or amend the president's policies, procedures, and directives.

**SECTION 23. AMENDMENT.** Section 15-10-38.1 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce student loan repayment program fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce student loan repayment program fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and loan repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of distributing student loan repayment grants directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The state board of higher education may transfer money between this fund and the skilled workforce scholarship fund established in section 15-10-38.2.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce student loan repayment program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. Graduates of degree or certificate programs from institutions or entities in any state may apply for the skilled workforce student loan repayment program. To be eligible to receive student loan repayment grants under the program, the applicant:

   a. Must have successfully completed an educational program from an institution of higher education;

   b. Must have a student loan with the Bank of North Dakota or other participating lender;

   c. Following completion of an educational program, must reside and work in this state in an eligible high-demand or emerging occupation; and

   d. Must have met and shall continue to meet any requirements established in applicable state board of higher education procedures.

5. The state board of higher education shall adopt procedures to ensure compliance with residency and occupation requirements after completion of the educational program.

6. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or

one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.

7. If an individual is receiving loan forgiveness under any other state program, the individual may not receive a student loan repayment grant under this section during the same application year. ~~An individual who received a skilled workforce scholarship under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~

8. An individual may receive a combined total of no more than seventeen thousand dollars under this section and the skilled workforce scholarship program under section 15-10-38.2.

9. ~~The skilled workforce student loan repayment program must be a joint public and private effort.~~ The state board of higher education shall provide one dollar of funding for each one dollar of ~~funding~~funds raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.

10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The number of applicants, eligible applicants, and applicants receiving awards;

    c. The amount of ~~private funding~~matching funds raised; and

    d. The average and total amounts awarded under the program.

**SECTION 24. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, tribally controlled community colleges, state-approved educator training programs, and North Dakota institutions approved to operate by the North Dakota board of career and technical education. The state board of higher education may transfer money

between this fund and the skilled workforce student loan repayment program fund established in section 15-10-38.1.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.

4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program is a program resulting in attainment of an associate's degree or lower credential ~~upon successful completion or a~~ program that may be completed within four semesters ~~or~~, six quarters, or the final two years of a baccalaureate program. A qualifying educational program also must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.

5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.

6. To be eligible for a scholarship ~~and~~ payment under this section, a student must be enrolled full time in an eligible program and have at least a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.

7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.

8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain either a 2.5 cumulative grade point average or academic progress according to program requirements while enrolled, withdraws voluntarily or

involuntarily before the completion of the program for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.

9. The state board of higher education, in conjunction with the Bank of North Dakota, may allow an individual who received payment under this section to delay or cancel repayment under this section due to financial difficulty, military service, death, or total disability.

10. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.

11. ~~The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state.~~The state board of higher education shall provide one dollar of funding for each one dollar raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce scholarship fund.

12. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The qualifying educational programs;

    c. The number of applicants, eligible applicants, and applicants receiving awards;

    d. The amount of ~~private funding~~matching funds raised; and

    e. The average and total amounts awarded under the program.

**SECTION 25. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.3. Scholarship and loan forgiveness administrative costs - ~~Continuing appropriation. (Effective through July 31, 2023)~~**

The state board of higher education shall retain up to one and one-half percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for promotion and administration of the programs under those sections.

~~**Scholarship and loan forgiveness administrative costs - Continuing appropriation. (Effective after July 31, 2023)** The state board of higher education shall retain up to one-half of one percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for administration of the programs under those sections.~~

**SECTION 26. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to ~~one million seven hundred thousand~~five million dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~one million five hundred thousand~~four million dollars in matching grants ~~for projects at~~each to the university of North Dakota school of medicine and health sciences and the North Dakota state university main research center. Of the amount available to the university of North Dakota, two hundred fifty thousand dollars must be awarded for projects dedicated to projects at the school of law.

**SECTION 27. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to:

(1) ~~Nine hundred fifty thousand~~Three million dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;

(2) ~~Seven hundred thousand~~Two million dollars each to Dickinson state university, Mayville state university, and Valley City state university; and

(3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college.

**SECTION 28. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.

b. An application submitted under this subsection must meet the same criteria as an original application.

c. The board shall prioritize available dollars allocated in paragraph 1 of subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 2 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 3 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of subsection 1.

d. After considering applications pursuant to subdivision c, the board shall consider each application submitted under this subsection in chronological order.

~~d.~~e. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

**SECTION 29. AMENDMENT.** Section 15-10-57 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-57. Unified workforce, vocational, and technical education program system.**

The state board of higher education shall establish and maintain a unified system to offer workforce training, vocational education, and technical education programs at institutions under its control. The board shall periodically review programs offered by institutions under its control and revise program offerings based on the workforce needs of the state identified by the workforce ~~education advisory~~development council. The board shall develop administrative arrangements that make possible the efficient use of facilities and staff. The board shall limit administrative costs by eliminating duplicative administrative positions.

**SECTION 30. AMENDMENT.** Section 15-10-63 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-63. Capital projects.**

1. The university of North Dakota and North Dakota state university shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least thirty percent of the total estimated cost of a capital project request submitted to the legislative assembly.

2. Bismarck state college, lake region state college, Williston state college, the North Dakota state college of science, Dickinson state university, Mayville state university, Minot state university, Valley City state university, and Dakota college at Bottineau shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least five percent of the total estimated cost of a capital project request submitted to the legislative assembly.

3. An institution under the control of the state board of higher education may undertake a facility renovation project only if the project will reduce the deferred maintenance amount of the facility by no less than seventy five percent of the total cost of the renovation. The institution shall maintain documentation that demonstrates the cost and scope of the deferred maintenance reduction that results directly from the renovation. This subsection does not apply to projects undertaken solely to correct building code deficiencies or to installations of infrastructure determined by the board to be essential to the mission of the institution.

~~2.~~4. Facility construction and renovation projects undertaken by an institution under the control of the state board of higher education must conform to campus master plan and space utilization requirements approved by the state board of higher education.

**SECTION 31. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

k. The ~~factors~~factor for credits completed in career and technical education ~~are:~~

~~(1) 3.0 for lower division credits; and~~

~~(2) 5.0 for upper division credits~~is 5.0.

**SECTION 32. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided under subsections 2 and 3, to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.2-03 by a base amount of:

   a. ~~$61.81~~$72.39 in the case of North Dakota state university and the university of North Dakota;

   b. ~~$92.60~~$102.78 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and

   c. ~~$98.84~~$109.30 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.

**SECTION 33.** Section 15-18.2-06.1 of the North Dakota Century Code is created and enacted as follows:

**Base funding - minimum amount payable.**

Notwithstanding any calculations required by this chapter, during each biennium an institution may not receive less than ninety-six percent of the state aid to which the institution was entitled under this chapter during the previous biennium.

**SECTION 34. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**15-54.1-02. Capital building funds - Uses - Reports.**

Subject to tier II and tier III capital building fund matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for projects specifically authorized by the legislative assembly to use university system capital building fund moneys. In addition, after an institution has matched and committed seventy-five percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to state board of higher education approval and matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for extraordinary repairs and deferred maintenance projects for academic and student housing facilities that do not increase the overall square footage of a building. The state board of higher education shall report biennially to the legislative management and to the appropriations committees of the legislative assembly on the use of funding in the university system capital building fund, the source of matching funds, and each institution's five-year plan for capital construction spending.

**SECTION 35. AMENDMENT.** Subsection 1 of section 15-62.4-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state board of higher education shall provide to each eligible student a financial assistance grant in an amount not exceeding:

a. One thousand ~~one hundred~~six hundred fifty dollars per semester; or

b. ~~Seven hundred thirty-three~~One thousand one hundred dollars per quarter.

**SECTION 36. AMENDMENT.** Subdivision c of subsection 2 of section 54-07-12 of the North Dakota Century Code is amended and reenacted as follows:

c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota, of which two million dollars is for the purpose of ~~creating an endowment to digitize~~digitizing documents relating to Theodore Roosevelt and eight million dollars is for the purpose of creating an endowment for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

**SECTION 37. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2023~~2025)**

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.

2. Major repair or improvement projects.

3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.

4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.

6. Authorized ongoing information technology projects.

**Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, ~~2023~~2025)** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.

2. Major repair or improvement projects.

3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.

4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.

6. Authorized ongoing information technology projects.

**SECTION 38. REPEAL.** Sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code are repealed."

Page 8, after line 22, insert:

"**SECTION 41. EXEMPTION - CAPITAL BUILDING FUND - LAKE REGION STATE COLLEGE - ESTIMATED INCOME.** The estimated income line item in subdivision 3 of section 1 of this Act includes $600,000 from the Lake Region state college allocation in the university system capital building fund. This amount is for the replacement of the wind turbine gear box and is not subject to matching requirements under chapter 15-54.1.

**SECTION 42. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts remaining from the $49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 43. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amounts appropriated from federal funds derived from the state fiscal recovery fund to the state board of higher education and institutions under the control of the state board of higher education in section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and programs are available for the projects and programs during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 44. TUITION RATE INCREASE LIMITATIONS.**

1. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

2. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

5. This section does not apply to tuition rates for nonresident students attending institutions of higher education under the control of the state board of higher education. For purposes of this section, the residency of students for tuition purposes must be determined under section 15-10-19.1.

6. This section does not apply to tuition rates determined under tuition reciprocity agreements entered into by the state board of higher education with other states or state education compacts.

7. For purposes of this section, an institution must calculate a resident tuition rate increase based on the tuition rate paid by an average full-time resident student.

**SECTION 45. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-eighth legislative assembly that dental hygienist courses be transferred to the career and technical education instructional program classification within the higher education funding formula.

**SECTION 46. EMERGENCY.** Section 35 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of House Action**

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | | | |
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| General fund | $116,898,476 | $93,179,187 | $210,077,663 |
| FTE | 158.83 | 4.00 | 162.83 |
| Bismarck State College | | | |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| General fund | $32,084,055 | $4,118,929 | $36,202,984 |
| FTE | 332.90 | 2.43 | 335.33 |
| Lake Region State College | | | |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| General fund | $14,242,152 | $967,690 | $15,209,842 |
| FTE | 115.76 | 4.83 | 120.59 |
| Williston State College | | | |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| General fund | $11,286,737 | $1,872,380 | $13,159,117 |
| FTE | 101.29 | 1.54 | 102.83 |
| University of North Dakota | | | |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| General fund | $150,927,125 | $72,802,227 | $223,729,352 |
| FTE | 2,059.98 | 0.58 | 2,060.56 |
| UND Medical Center | | | |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| General fund | $68,122,959 | $12,013,712 | $80,136,671 |
| FTE | 492.67 | (3.84) | 488.83 |
| North Dakota State University | | | |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |
| General fund | $138,431,325 | $25,959,623 | $164,390,948 |
| FTE | 1,829.43 | 38.07 | 1,867.50 |
| State College of Science | | | |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |

| | | | |
|---|---|---|---|
| General fund | $35,714,792 | $2,598,858 | $38,313,650 |
| FTE | 311.61 | 2.34 | 313.95 |
| Dickinson State University | | | |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| General fund | $20,242,730 | $3,661,077 | $23,903,807 |
| FTE | 175.50 | 2.50 | 178.00 |
| Mayville State University | | | |
| Total all funds | $50,962,268 | $54,855,978 | $105,818,246 |
| Less estimated income | 32,282,440 | 51,733,204 | 84,015,644 |
| General fund | $18,679,828 | $3,122,774 | $21,802,602 |
| FTE | 230.35 | (3.43) | 226.92 |
| Minot State University | | | |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| General fund | $41,206,630 | $6,190,163 | $47,396,793 |
| FTE | 403.04 | 20.59 | 423.63 |
| Valley City State University | | | |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| General fund | $24,161,377 | $3,425,923 | $27,587,300 |
| FTE | 202.77 | 9.17 | 211.94 |
| Dakota College at Bottineau | | | |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| General fund | $9,537,862 | $1,653,513 | $11,191,375 |
| FTE | 91.86 | (7.86) | 84.00 |
| Forest Service | | | |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| General fund | $4,792,478 | $783,043 | $5,575,521 |
| FTE | 28.00 | 1.00 | 29.00 |
| Bill total | | | |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| Less estimated income | 1,926,770,039 | 596,775,029 | 2,523,545,068 |
| General fund | $686,328,526 | $232,349,099 | $918,677,625 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

## House Bill No. 1003 - North Dakota University System - General Fund Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $116,898,476 | $93,179,187 | $210,077,663 |
| Bismarck State College | 32,084,055 | 4,118,929 | 36,202,984 |
| Lake Region State College | 14,242,152 | 967,690 | 15,209,842 |
| Williston State College | 11,286,737 | 1,872,380 | 13,159,117 |
| University of North Dakota | 150,927,125 | 72,802,227 | 223,729,352 |
| UND Medical Center | 68,122,959 | 12,013,712 | 80,136,671 |
| North Dakota State University | 138,431,325 | 25,959,623 | 164,390,948 |
| State College of Science | 35,714,792 | 2,598,858 | 38,313,650 |
| Dickinson State University | 20,242,730 | 3,661,077 | 23,903,807 |
| Mayville State University | 18,679,828 | 3,122,774 | 21,802,602 |
| Minot State University | 41,206,630 | 6,190,163 | 47,396,793 |
| Valley City State University | 24,161,377 | 3,425,923 | 27,587,300 |
| Dakota College at Bottineau | 9,537,862 | 1,653,513 | 11,191,375 |
| Forest Service | 4,792,478 | 783,043 | 5,575,521 |
| Total general fund | $686,328,526 | $232,349,099 | $918,677,625 |

## Detail of House Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $93,179,187 | | | | | |
| Bismarck State College | | $3,914,929 | | | $204,000 | |
| Lake Region State College | | 858,690 | | | 109,000 | |
| Williston State College | | 1,703,240 | | | 169,140 | |
| University of North Dakota | | 23,941,127 | | $3,201,100 | 660,000 | |
| UND Medical Center | | 12,013,712 | | | | |
| North Dakota State University | | 16,858,523 | | 3,201,100 | 1,100,000 | |
| State College of Science | | 2,412,108 | | | 186,750 | |
| Dickinson State University | | 3,334,077 | | | 327,000 | |
| Mayville State University | | 2,814,040 | | | 308,734 | |
| Minot State University | | 6,020,163 | | | 170,000 | |
| Valley City State University | | 3,189,923 | | | 236,000 | |
| Dakota College at Bottineau | | 1,483,513 | | | 170,000 | |
| Forest Service | | | | | | |
| Total general fund | $93,179,187 | $78,544,045 | $0 | $6,402,200 | $3,640,624 | $0 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total the General Fund Changes |
|---|---|---|---|
| University System Office | | | $93,179,187 |
| Bismarck State College | | | 4,118,929 |
| Lake Region State College | | | 967,690 |
| Williston State College | | | 1,872,380 |
| University of North Dakota | $45,000,000 | | 72,802,227 |
| UND Medical Center | | | 12,013,712 |
| North Dakota State University | 4,800,000 | | 25,959,623 |
| State College of Science | | | 2,598,858 |
| Dickinson State University | | | 3,661,077 |
| Mayville State University | | | 3,122,774 |
| Minot State University | | | 6,190,163 |
| Valley City State University | | | 3,425,923 |
| Dakota College at Bottineau | | | 1,653,513 |
| Forest Service | | $783,043 | 783,043 |
| Total general fund | $49,800,000 | $783,043 | $232,349,099 |

## House Bill No. 1003 - North Dakota University System - Other Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $25,757,035 | $872,198 | $26,629,233 |
| Bismarck State College | 70,409,893 | 34,400,734 | 104,810,627 |
| Lake Region State College | 25,271,428 | 1,655,128 | 26,926,556 |
| Williston State College | 24,019,535 | 44,830,555 | 68,850,090 |
| University of North Dakota | 755,657,771 | 218,613,966 | 974,271,737 |
| UND Medical Center | 160,806,249 | 5,782,718 | 166,588,967 |
| North Dakota State University | 625,417,100 | 130,501,035 | 755,918,135 |
| State College of Science | 60,845,052 | 22,212,951 | 83,058,003 |
| Dickinson State University | 30,992,408 | 19,421,619 | 50,414,027 |
| Mayville State University | 32,282,440 | 51,733,204 | 84,015,644 |
| Minot State University | 64,047,767 | 15,504,561 | 79,552,328 |
| Valley City State University | 26,377,846 | 36,936,844 | 63,314,690 |
| Dakota College at Bottineau | 14,216,200 | 5,839,622 | 20,055,822 |
| Forest Service | 10,669,315 | 8,469,894 | 19,139,209 |
| Total other funds | $1,926,770,039 | $596,775,029 | $2,523,545,068 |

## Detail of House Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $872,198 | | | | | |
| Bismarck State College | | | $2,900,734 | | | $31,500,000 |
| Lake Region State College | | | 1,055,128 | | | 600,000 |
| Williston State College | | | 916,616 | | | 43,913,939 |
| University of North Dakota | | | 28,613,966 | | | 190,000,000 |
| UND Medical Center | | | 5,782,718 | | | |
| North Dakota State University | | | 23,501,035 | | | 107,000,000 |
| State College of Science | | | 2,237,951 | | | 19,975,000 |
| Dickinson State University | | | 1,421,619 | | | 18,000,000 |
| Mayville State University | | | 1,763,104 | | | 49,970,100 |
| Minot State University | | | 3,639,561 | | | 11,865,000 |
| Valley City State University | | | 1,436,844 | | | 35,500,000 |
| Dakota College at Bottineau | | | 539,622 | | | 5,300,000 |
| Forest Service | | | | | | |
| Total other funds | $872,198 | $0 | $73,808,898 | $0 | $0 | $513,624,039 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total Other Funds Changes |
|---|---|---|---|
| University System Office | | | $872,198 |
| Bismarck State College | | | 34,400,734 |
| Lake Region State College | | | 1,655,128 |
| Williston State College | | | 44,830,555 |
| University of North Dakota | | | 218,613,966 |
| UND Medical Center | | | 5,782,718 |
| North Dakota State University | | | 130,501,035 |
| State College of Science | | | 22,212,951 |
| Dickinson State University | | | 19,421,619 |
| Mayville State University | | | 51,733,204 |
| Minot State University | | | 15,504,561 |
| Valley City State University | | | 36,936,844 |
| Dakota College at Bottineau | | | 5,839,622 |
| Forest Service | | $8,469,894 | 8,469,894 |
| Total other funds | $0 | $8,469,894 | $596,775,029 |

## House Bill No. 1003 - North Dakota University System - All Funds Summary

| | Base Budget | House Changes | House Version |
|---|---|---|---|
| University System Office | $142,655,511 | $94,051,385 | $236,706,896 |
| Bismarck State College | 102,493,948 | 38,519,663 | 141,013,611 |
| Lake Region State College | 39,513,580 | 2,622,818 | 42,136,398 |
| Williston State College | 35,306,272 | 46,702,935 | 82,009,207 |
| University of North Dakota | 906,584,896 | 291,416,193 | 1,198,001,089 |
| UND Medical Center | 228,929,208 | 17,796,430 | 246,725,638 |
| North Dakota State University | 763,848,425 | 156,460,658 | 920,309,083 |
| State College of Science | 96,559,844 | 24,811,809 | 121,371,653 |
| Dickinson State University | 51,235,138 | 23,082,696 | 74,317,834 |
| Mayville State University | 50,962,268 | 54,855,978 | 105,818,246 |
| Minot State University | 105,254,397 | 21,694,724 | 126,949,121 |
| Valley City State University | 50,539,223 | 40,362,767 | 90,901,990 |
| Dakota College at Bottineau | 23,754,062 | 7,493,135 | 31,247,197 |
| Forest Service | 15,461,793 | 9,252,937 | 24,714,730 |
| Total all funds | $2,613,098,565 | $829,124,128 | $3,442,222,693 |
| FTE | 6,533.99 | 71.92 | 6,605.91 |

## Detail of House Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds and FTE Positions[3] | Adds Funding for Research Network | Adds Funding for Behavioral Health[4] | Adds Funding for Capital Projects[5] |
|---|---|---|---|---|---|---|
| University System Office | $94,051,385 | | | | | |
| Bismarck State College | | $3,914,929 | $2,900,734 | | $204,000 | $31,500,000 |
| Lake Region State College | | 858,690 | 1,055,128 | | 109,000 | 600,000 |
| Williston State College | | 1,703,240 | 916,616 | | 169,140 | 43,913,939 |
| University of North Dakota | | 23,941,127 | 28,613,966 | $3,201,100 | 660,000 | 190,000,000 |
| UND Medical Center | | 12,013,712 | 5,782,718 | | | |
| North Dakota State University | | 16,858,523 | 23,501,035 | 3,201,100 | 1,100,000 | 107,000,000 |
| State College of Science | | 2,412,108 | 2,237,951 | | 186,750 | 19,975,000 |
| Dickinson State University | | 3,334,077 | 1,421,619 | | 327,000 | 18,000,000 |
| Mayville State University | | 2,814,040 | 1,763,104 | | 308,734 | 49,970,100 |
| Minot State University | | 6,020,163 | 3,639,561 | | 170,000 | 11,865,000 |
| Valley City State University | | 3,189,923 | 1,436,844 | | 236,000 | 35,500,000 |
| Dakota College at Bottineau | | 1,483,513 | 539,622 | | 170,000 | 5,300,000 |
| Forest Service | | | | | | |
| Total all funds | $94,051,385 | $78,544,045 | $73,808,898 | $6,402,200 | $3,640,624 | $513,624,039 |
| FTE | 4.00 | 0.00 | 66.92 | 0.00 | 0.00 | 0.00 |

| | Adds Other One-Time Funding[6] | Adjusts Forest Service Funding[7] | Total All Funds Changes |
|---|---|---|---|
| University System Office | | | $94,051,385 |
| Bismarck State College | | | 38,519,663 |
| Lake Region State College | | | 2,622,818 |
| Williston State College | | | 46,702,935 |
| University of North Dakota | $45,000,000 | | 291,416,193 |
| UND Medical Center | | | 17,796,430 |
| North Dakota State University | 4,800,000 | | 156,460,658 |
| State College of Science | | | 24,811,809 |
| Dickinson State University | | | 23,082,696 |
| Mayville State University | | | 54,855,978 |
| Minot State University | | | 21,694,724 |
| Valley City State University | | | 40,362,767 |
| Dakota College at Bottineau | | | 7,493,135 |
| Forest Service | | $9,252,937 | 9,252,937 |
| Total all funds | $49,800,000 | $9,252,937 | $829,124,128 |
| FTE | 0.00 | 1.00 | 71.92 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | 4.00 | $74,578 | | $74,578 |
| Salary increase | | 398,183 | $16,289 | 414,472 |
| Health insurance increase | | 112,614 | 5,262 | 117,876 |
| Financial aid staff | | 125,000 | | 125,000 |
| New financial aid system ongoing costs | | 273,180 | | 273,180 |
| New financial aid system one-time costs | | 1,554,354 | | 1,554,354 |
| Capitol space rent model | | 143,625 | | 143,625 |
| Total | 4.00 | $2,681,534 | $21,551 | $2,703,085 |

The following schedule details funding adjustments for Core Technology Services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Base payroll changes | $137,190 | $82,198 | $219,388 |
| Salary increase | 1,041,551 | 525,737 | 1,567,288 |
| Health insurance increase | 395,293 | 242,712 | 638,005 |
| Software and a security operations center | 4,500,000 | | 4,500,000 |
| Replace funding from tuition for salaries and wages | 939,310 | | 939,310 |
| Total | $7,013,344 | $850,647 | $7,863,991 |

The following schedule details funding for inflationary passthrough grants:

| | General Fund |
|---|---|
| Fort Abraham Lincoln Foundation Heritage River Landing | $500,000 |
| Bismarck State College polytechnic building | 10,000,000 |
| Minot children's science center | 1,000,000 |
| Dickinson State University projects and document digitization | 3,600,000 |
| North Dakota Gateway to Science | 5,000,000 |
| Total passthrough grants | $20,100,000 |

The following schedule details funding adjustments in other line items in the University System office budget:

| | Base Level | General Fund Adjustment | House Version |
|---|---|---|---|
| Capital assets - Bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Challenge grants (one-time) | 0 | 36,000,000 | 36,000,000 |
| Dakota Digital Academy (one-time) | 0 | 450,000 | 450,000 |
| Workforce education innovation (one-time) | 0 | 10,000,000 | 10,000,000 |
| Single parent support (one-time) | 0 | 4,500,000 | 4,500,000 |
| Total | $55,352,517 | $63,384,309 | $118,736,826 |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

| | Credit-Hour Completion Adjustment | Formula Adjustment | Hold Harmless | Cost to Continue | Salary Increase | Health Insurance Increase | Total Increase |
|---|---|---|---|---|---|---|---|
| Bismarck State College | ($843,194) | $1,306,862 | | $156,583 | $2,043,190 | $1,251,488 | $3,914,929 |
| Dakota College at Bottineau | 428,768 | | | 49,819 | 696,639 | 308,287 | 1,483,513 |
| Lake Region State College | (1,157,713) | 412,756 | $175,271 | 65,404 | 894,717 | 468,255 | 858,690 |
| State College of Science | (4,001,780) | 2,765,148 | | 156,925 | 2,367,340 | 1,124,475 | 2,412,108 |
| Williston State College | 137,487 | 322,613 | | 57,105 | 866,939 | 319,096 | 1,703,240 |
| Dickinson State University | 998,877 | | | 98,272 | 1,450,501 | 786,427 | 3,334,077 |
| Mayville State University | 685,147 | | | 89,590 | 1,365,632 | 673,671 | 2,814,040 |
| Minot State University | 1,342,514 | | | 196,850 | 2,944,280 | 1,536,519 | 6,020,163 |
| Valley City State University | 480,872 | | | 114,005 | 1,635,744 | 959,302 | 3,189,923 |
| North Dakota State University | (7,591,732) | | 2,054,479 | 696,301 | 14,538,568 | 7,160,907 | 16,858,523 |
| University of North Dakota | (1,616,355) | | | 720,276 | 18,985,262 | 5,851,944 | 23,941,127 |
| UND School of Medicine | 1,861,864 | | | 389,953 | 8,400,006 | 1,361,889 | 12,013,712 |
| Total | ($9,275,245) | $4,807,379 | $2,229,750 | $2,791,083 | $56,188,818 | $21,802,260 | $78,544,045 |

Funding is added from the general fund for the 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from $1,429 to $1,648 per month. In addition, approximately $44.7 million from the general fund to pay the tuition portion of a 6 percent and 4 percent salary increase and the tuition portion of the health insurance increase is included in the salary increase and health insurance increase columns.

[3] The following adjustments are made to institution other funds appropriations and FTE positions:

**FTE Position Adjustments**

| | FTE Positions | Salary Increase | Health Insurance Increase | Other Adjustments | Total |
|---|---|---|---|---|---|
| Bismarck State College | 2.43 | $1,636,581 | $974,448 | $289,705 | $2,900,734 |
| Dakota College at Bottineau | (7.86) | 296,773 | 199,582 | 43,267 | 539,622 |
| Lake Region State College | 4.83 | 618,726 | 336,358 | 100,044 | 1,055,128 |
| State College of Science | 2.34 | 1,250,439 | 800,793 | 186,719 | 2,237,951 |
| Williston State College | 1.54 | 556,396 | 278,619 | 81,601 | 916,616 |
| Dickinson State University | 2.50 | 816,325 | 484,388 | 120,906 | 1,421,619 |
| Mayville State University | (3.43) | 907,083 | 730,912 | 125,109 | 1,763,104 |
| Minot State University | 20.59 | 2,113,443 | 1,193,878 | 332,240 | 3,639,561 |
| Valley City State University | 9.17 | 777,588 | 539,086 | 120,170 | 1,436,844 |
| North Dakota State University | 38.07 | 13,934,225 | 7,487,950 | 2,078,860 | 23,501,035 |
| University of North Dakota | 0.58 | 17,040,090 | 8,846,162 | 2,727,714 | 28,613,966 |
| UND School of Medicine | (3.84) | 3,786,917 | 1,405,057 | 590,744 | 5,782,718 |
| Total | 66.92 | $43,734,586 | $23,277,233 | $6,797,079 | $73,808,898 |

[4] One-time funding of $3,640,624 is added for the behavioral health initiative.

[5] One-time funding is added for the following capital building projects:

| | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|
| BSC multipurpose academic and athletic center | $29,900,000 | $1,600,000 | $31,500,000 |
| LRSC wind turbine gearbox | | 600,000 | 600,000 |
| WSC medical healthcare building | 34,750,000 | 1,850,000 | 36,600,000 |
| WSC turf project | | 7,313,939 | 7,313,939 |
| UND EERC facility | | 33,000,000 | 33,000,000 |
| UND science, engineering, and national security corridor | 57,400,000 | 24,600,000 | 82,000,000 |
| UND science, technology, engineering, and math building | 52,000,000 | 23,000,000 | 75,000,000 |
| NDSU music building | | 20,000,000 | 20,000,000 |
| NDSU Sudro Hall expansion | | 3,000,000 | 3,000,000 |
| NDSU center for engineering and computational sciences | 59,000,000 | 25,000,000 | 84,000,000 |
| NDSCS agriculture, automation, and autonomous systems building | 18,975,000 | 1,000,000 | 19,975,000 |
| DSU agriculture and technical education building | 17,100,000 | 900,000 | 18,000,000 |
| MaSU Old Main renovation | 49,970,100 | | 49,970,100 |
| MiSU Dakota Hall demolition | 765,000 | | 765,000 |
| MiSU academic building | 7,600,000 | 400,000 | 8,000,000 |
| MiSU student center renovation | | 3,100,000 | 3,100,000 |
| VCSU Osmon Fieldhouse addition | | 20,000,000 | 20,000,000 |
| VCSU Student Center renovation | | 2,000,000 | 2,000,000 |
| VCSU McCarthy Hall | 11,500,000 | 2,000,000 | 13,500,000 |
| DCB Old Main renovation | 4,300,000 | 1,000,000 | 5,300,000 |
| Total capital projects | $343,260,100 | $170,363,939 | $513,624,039 |

[6] One-time funding of $49.8 million from the general fund is added for the UND national security initiative ($45 million) and NDSU workforce education ($4.8 million).

[7] The following funding adjustments are made for the Forest Service:

**Forest Service**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Base payroll changes | | $30,847 | | $30,847 |
| Salary increase of 4 percent per year | | 233,644 | $6,491 | 240,135 |
| Health insurance increase to $1,648 per month | | 131,552 | 5,262 | 136,814 |
| Towner state nursery | | | 200,000 | 200,000 |
| Cooperative fire protection initiative | 1.00 | 187,000 | | 187,000 |
| Forest recreation enhancements | | 200,000 | | 200,000 |
| Grant funding to enhance services | | | 8,258,141 | 8,258,141 |
| Total | 1.00 | $783,043 | $8,469,894 | $9,252,937 |

## House Bill No. 1003 - Other Changes - House Action

This amendment also adds sections to:

- Identify $293,290,000 for various institution capital projects is from SIIF;
- Identify $4.8 million from the general fund appropriated to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs;
- Identify $4.5 million from the general fund appropriated to the University System office is for support for single mothers;
- Provide for a transfer of $367,000 from University System office carryover to NDSU operations for the costs of a severance package;
- Provide future severance agreements be paid from the University System office budget;
- Provide for $1.5 million from Bank of North Dakota profits for the dual-credit tuition scholarship program;
- Continue and expand the career builders program and to provide $15 million from Bank of North Dakota profits for the program;
- Continue the capital building fund program and to provide $29 million from SIIF for the program;
- Restrict the State Board of Higher Education from requesting funding for capital projects from the 69th Legislative Assembly;
- Provide for an annual report to the Budget Section on higher education trends;
- Require the approval of requests for new academic programs within 30 days;
- Require the State Board of Higher Education to provide a disclosure of financial condition to final applicants for the position of president;
- Continue the challenge grant program and to provide $36 million from the general fund for the program;
- Replace the Workforce Education Advisory Council with the Workforce Development Council;
- Require institutions to identify local matching funds for capital project requests;
- Amend the higher education funding formula, including to increase funding for career and technical education credits and to restore the minimum amount payable;
- Increase the maximum award under the student financial assistance grant program;
- Allow Dickinson State University to use funds donated for the digitization of documents relating to Theodore Roosevelt without establishing an endowment;
- Allow the University System to continue unexpended appropriations into the 2023-25 biennium;
- Allow Lake Region State College to use funds from the University System capital building fund to replace a wind turbine gearbox without providing matching funds;
- Allow institutions to continue appropriation authority for various capital projects into the 2023-25 biennium; and
- Limit tuition increases.

| HB1003 Capital Building Fund<br>Tier I 1:1 match except UND/NDSU 2:1 match; Tier II 1:1 match; Tier III 2:1 match<br>Total Capital Fund = $96.4 million | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Tier I - Extraordinary Repairs | | | Tier II - Capital Building Fund | | | | Tier III - Capital Building Fund | | | |
| Institution | Base Funding Formula allocated to Extraordinary Repairs (General Funds) | 1 to 1 Match All Institutions except UND/NDSU 2 to 1 Match (Special Funds) | Tier I Appropriation & Required Match | 2015-2017 Adjusted SCH | Institution Match at 1 to 1 (Special Funds) | $20M State Funds | Tier II Totals | State Funds | 2 for 1 Match | Tier III Totals | Totals |
| BSC | 417,673 | 417,673 | 835,346 | 320,093 | 851,386 | 851,386 | 1,702,773 | 500,000 | 1,000,000 | 1,500,000 | 4,038,119 |
| DCB | 114,007 | 114,007 | 228,014 | 79,753 | 212,128 | 212,128 | 424,256 | 500,000 | 1,000,000 | 1,500,000 | 2,152,270 |
| LRSC | 155,367 | 155,367 | 310,734 | 133,374 | 354,750 | 354,750 | 709,500 | 500,000 | 1,000,000 | 1,500,000 | 2,520,234 |
| NDSCS | 1,012,379 | 1,012,379 | 2,024,758 | 376,489 | 1,001,390 | 1,001,390 | 2,002,780 | 500,000 | 1,000,000 | 1,500,000 | 5,527,538 |
| WSC | 197,801 | 197,801 | 395,602 | 103,727 | 275,894 | 275,894 | 551,788 | 500,000 | 1,000,000 | 1,500,000 | 2,447,390 |
| DSU | 409,078 | 409,078 | 818,156 | 202,166 | 537,724 | 537,724 | 1,075,447 | 500,000 | 1,000,000 | 1,500,000 | 3,393,603 |
| MASU | 358,992 | 358,992 | 717,984 | 180,486 | 480,058 | 480,058 | 960,117 | 500,000 | 1,000,000 | 1,500,000 | 3,178,101 |
| MISU | 899,620 | 899,620 | 1,799,240 | 430,708 | 1,145,602 | 1,145,602 | 2,291,204 | 500,000 | 1,000,000 | 1,500,000 | 5,590,444 |
| VCSU | 408,319 | 408,319 | 816,638 | 232,450 | 618,274 | 618,274 | 1,236,547 | 500,000 | 1,000,000 | 1,500,000 | 3,553,185 |
| NDSU | 2,732,244 | 5,464,488 | 8,196,732 | 2,180,302 | 5,799,192 | 5,799,192 | 11,598,383 | 2,250,000 | 4,500,000 | 6,750,000 | 26,545,115 |
| UND | 4,411,566 | 8,823,132 | 13,234,698 | 3,279,783 | 8,723,603 | 8,723,603 | 17,447,205 | 2,250,000 | 4,500,000 | 6,750,000 | 37,431,903 |
| **TOTAL** | **11,117,046** | **18,260,856** | **29,377,902** | **7,519,331** | **20,000,000** | **20,000,000** | **40,000,000** | **9,000,000** | **18,000,000** | **27,000,000** | **96,377,902** |

2023 - 2027 Agriculture and Institution Capital Project
Revised 02/15/2023

| Institution | Project Title | Project Total | Funding Source | | Project Type |
|---|---|---|---|---|---|
| | | | General Funds | Local Match | |
| MaSU | Old Main Renovation | 49,900,000 | 49,900,000 | | |
| NDSCS | Agriculture, Automation & Autonomous Systems | 19,975,000 | 18,975,000 | 1,000,000 | Major renovation to existing facilities and new construction |
| DSU | Agriculture & Technical Education Buildings | 18,000,000 | 17,100,000 | 900,000 | Major renovation to existing facility |
| DCB | Old Main/Center for Rural Health Education | 5,300,000 | 4,300,000 | 1,000,000 | Major renovation to existing facility |
| LRSC | Wind Turbine Gearbox Replacement | 600,000 | 600,000 | | Equipment repair |
| MiSU | Dakota Residence Hall Demolition | 765,000 | 765,000 | | Removal of facility |
| NDSU | Center for Engineering & Computational Sciences | 84,000,000 | 59,000,000 | 25,000,000 | New construction with major renovation to existing facility |
| VSCU | McCarthy Hall Renovation | 13,500,000 | 11,500,000 | 2,000,000 | Renovation to existing facility |
| UND | Science, Engineering & Natural Security Corridor Planning & Demolition | 82,000,000 | 57,400,000 | 24,600,000 | Renovation, removal and planning |
| BSC | Multipurpose Academic & Performance Center | 31,500,000 | 29,900,000 | 1,600,000 | New construction with demolition of existing facility |
| WSC | Medical Healthcare Building | 36,600,000 | 34,750,000 | 1,850,000 | New construction |
| UND | STEM Building | 75,000,000 | 52,000,000 | 23,000,000 | |
| MiSU | MiSU Academic | 8,000,000 | 7,600,000 | 400,000 | Nursing, computer science, math, science |
| | State General Fund Projects | 425,140,000 | 343,790,000 | 80,950,000 | |

1 Four year capital project plan: 07/01/2023 - 06/30/2027
2 NDUS could not request any capital construction projects for the 4 year period.
3 NDUS could approve projects that are 100% funded through local or other special funds during the 4 year period including Residence Halls, etc.
4 Universities/colleges are required to have the local pledge/other funds secured before any General Funds can be disbursed for the projects.
5 Universities/colleges will have four years to obtain local/special funds.
6 Any inflationary or other costs that exceed the project total would have to be paid through local/special funds and the obligation of the state would remain as detailed above.
7 The cost of the project can be less than the project total as detailed above. However, the local match percentage requirement will still remain the same and correlate to the project total.
8 Other funds can be used for the planning process of a project. However, the amount spent for the planning and etc. can not be counted toward the local match.
9 Any additional funds over the local match requirement can be used for the project.
10 The Capital projects for the total four years would be appropriated during the 2023-2025 biennium.
11 Funding source would be through the SIFF (Strategic Investment and Improvement Fund).

BISMARCK MANDAN
CHAMBER | EDC

**Senate Appropriations Committee – HB 1003**
**Senator Brad Bekkedahl, Chair**
**March 3, 2023**

Chairman Bekkedahl, Members of the Committee:

My name is Brian Ritter and I am the President & CEO of the Bismarck Mandan Chamber EDC. Please accept the following testimony on behalf of our organization in support of HB 1003

The North Dakota University System plays a critical role in addressing the single most pressing issue impacting our members; workforce. There are more than 2,300 open jobs currently in Burleigh and Morton Counties, combined, and this bill does a couple of things to impact both that situation and our community.

- First, HB 1003 contains funding for a Workforce Education Innovation Program as previously outlined in HB 1241 and contains funding for the successful Career Builders Program.
- Second, HB 1003 includes funding that will allow Bismarck State College to finish the highly anticipated Polytechnic Building and to replace the existing Armory building on campus.

The funding for the aforementioned workforce development initiatives and improvements to BSC's campus will go a long way towards training our community's next generation of workers. As such, I would respectfully ask that the Committee give a DO PASS recommendation to HB 1003.

**Comments to the North Dakota Senate Appropriations Committee**
**Senator Brad Bekkedahl, Chair**

**Submitted by DeAnna Carlson Zink, CEO of the University of North Dakota Alumni Association and Foundation**

**Submitted March 3, 2023**

Chairman Bekkedahl and members of the Committee, thank you for allowing me to submit testimony regarding the North Dakota Challenge Fund.

I have been asked today by Chancellor Mark Hagerott to testify on behalf of all the state's university and college foundations. I am honored to fulfill this role as our foundations all have the same mission: to ensure our students have the very best possible experiences and are primed to meet the workforce challenges of the future.

I want to thank each member of the North Dakota Legislature for supporting the challenge fund in the past as the benefits have been far-reaching. Over the past ten years, $74 million in state dollars have inspired $148 million in donor gifts for a $222 million impact across North Dakota's colleges and universities. Countless students have been helped by the generosity shown by our donors and you, our state legislators.

With this public/private partnership, our donors are teaming with the state to inspire a world of change. Because many of the gifts are put into endowments, the Challenge Fund not only benefits current students, but will continue to shape public higher education in the state into the future.

At the University of North Dakota, two out of every three gifts to the program have come from donors outside the state who want to invest in higher education in the great state of North Dakota. Other foundations report similar engagement from out-of-state donors.

Here's the bottom line, donors have been motivated by this program. They've been so motivated that they've given more than they originally intended once they learned of this public-private partnership. This program has been a tipping point for donors to give back.

Ty Orton at Dickinson State says their Heritage Foundation, though only six years old, has been able to grow to provide more than $1 million in scholarships annually. He says the challenge grant was a major factor in that achievement.

These success stories can be found across the state: The UND Foundation has set fundraising records in three of the past four years, Minot State has seen record fundraising, NDSU successfully completed a capital campaign, all thanks to the strong foundation provided by this vital program.

We are so thankful for the flexibility that is included in HB 1003; it is important since each of our institutions has different priorities on a year-to-year basis. I urge you to consider the maximum funding possible for the challenge fund. This is not just an investment in our state, it's an investment in our future.

At the University of North Dakota and the state's other institutions of higher learning, private giving is more essential than ever. It is vitally important to have initiatives like this that support academic programs, endowed faculty positions, and scholarships to make colleges and universities accessible to students from every walk of life.

Thank you.

DeAnna Carlson Zink
Chief Executive Officer
University of North Dakota Alumni Association & Foundation
deannac@undfoundation.org
701.740.4682

March 3, 2023

NORTH DAKOTA UNIVERSITY SYSTEM
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**Engrossed HB1003**
Senate Appropriations Committee
March 3, 2023
Mark Hagerott, Chancellor, NDUS 701.328.2963 | mark.hagerott@ndus.edu

Chair Bekkedahl and Committee Members: My name is Mark Hagerott, and I am the Chancellor of the North Dakota University System (NDUS). I am here to provide testimony on House Bill 1003. As State Board of Higher Education (SBHE) Vice Chair Tim Mihalick said, the board officially endorsed the engrossed House version of HB1003 at its February 23rd meeting, with two exceptions that I will get to in a moment.

The budget passed by the House would provide stability for students, faculty, and staff in a time of a historic economic and workforce pressures. It will also provide the foundation for continued innovation and transformation. We thank the House for its work on the bill and we look forward to working with the Senate as it moves forward.

However, section 19 and section 20 impose restrictions on institutional administration and academic programming that infringe on the Board's constitutional responsibilities. Section 19 would require Emergency Commission and Budget Section approval before the SBHE could provide a severance agreement to a college or university president. Section 20 places a 30-day time limit on SBHE approval of new certificates or programs. We respectfully request section 19 and section 20 be removed from the bill.

Our public system of higher education includes 11 colleges and universities spread throughout the state that offer a full spectrum of learning ranging from trades and technical education through advanced scholarship and innovative research. Our campuses have a proud history of working closely with business and industry to best identify changing community and workforce needs, and offering nearly 45,000 students the programs they want, where and when they need them.

The NDUS is governed by the SBHE, whose eight voting members are approved by the Senate. The system was organized in 1990 and includes two research universities, four regional universities, and five community colleges. The mission of the SBHE and my office is to unleash the potential of higher education in the state to enhance the quality of life, and the social and economic vitality of all served by its public colleges and universities.

That mission is supported by a framework of six strategic goals. The goals include optimizing student affordability while maintaining campus financial health; providing access to programs people want, where and when they need them; preparing students for success; maximizing the strengths of a unified system; research excellence and innovation; and workforce development. Progress toward these goals is measured with objectives and outcomes that are tracked via the NDUS strategic plan dashboards.

Each institution has a distinct mission and transformative priorities. Despite their individual distinctions, they all fall under the same overarching themes:

1. *Workforce development*: Workforce development was identified by the state board two years ago as the newest strategic goal to pursue. To that end, the board regularly approves, modifies, and discontinues programs of study in direct response to changing student and workforce needs. As just one example, the campuses now offer an expansive collection of program certificates, in addition to the standard two-year and four-year degrees programs. More than 260 certificate programs have been created in the last three years. The NDUS and SBHE review and address each new program request in the same month in which it is placed on the agenda.

   Section 20 of the engrossed HB1003 limits the program approval process to a 30-day period. Enacting a 30-day approval period does not permit campuses to conduct assessment of collaborative partners, possible program duplication, or a thorough financial analysis of program viability. In short, the program approval process currently in place works well. The university system continues to demonstrate a commitment to train and retrain new and returning students based on their changing needs.

2. *Diversification of the economy:* Diversification of the economy continues to be a priority for the university system, whether that goal is reached through identification and partnership with emerging industries, or the continued adaptation to the digitization of our world. That is why our 11 public institutions, the System Office, and CTS all continue to focus on innovation and transformation. The ability to be agile and responsive gives students the opportunity to find more success while concurrently creating an economic impact that totaled **$2.68** billion during the **2021 fiscal year**.

3. *The "caring economy*: It's not only vital to create a technically oriented workforce, but it is equally important to take care of the "caring economy" of people. To that end, we continue to support programs that help educate the nurses, teachers, and police officers of tomorrow. Having such a diverse outlook from an academic and technical education programming perspective will help all students have a more well-rounded education that will aid them in becoming good citizens during divisive times.

To achieve these goals for the state and the university system, we've identified the following priorities in the 2023-25 NDUS budget request:

- **Reinstating the minimum amount payable and increasing it to 98%.** The House restored the minimum amount payable at the historic 96% rate or $2.2M (Section 33). A minimum amount payable at 98% is $5.8M and adds $3.6M to those institutions dealing with reduced credit production.

- **Supporting the Governors compensation package which included 6% & 4% salary increases, equity adjustments and continued state coverage of health insurance premiums.** The House included 4% % 4% salary increases and health insurance costs.

- **Providing general fund dollars to cover the tuition portion of the compensation package.** Historically, the State appropriation provides 32 percent of the total cost for the compensation package. Tuition dollars provide 37 percent and grants/local funds cover the remainder. The House included $47.4M to cover the tuition portion of salary increases at a 6%/4% and the increased health insurance costs, which will minimize the need for a tuition increase during the 2023-25 biennium.
- **Allowing for tuition rate flexibility.** The House added section 44 to freeze 2023-25 tuition rates. We are grateful for the infusion of general fund dollars for the compensation package and ask the Senate to consider adding flexibility to increase tuition to cover inflation-impacted non-compensation operation costs.
- **Increasing the funding formula for the impacts of inflation.** The House did not increase funding formula rates for inflation. We request the Senate consider a 7.5% increase in the funding formula per credit hour rate for NDUS institutions.
- **Creating a Workforce Education Innovation Grant Program.** The House provided $10 million (Section 01) for a grant program to assist with startup costs for new academic programs targeted at ND's workforce needs. We ask you to support this funding.
- **Support for a NDUS budget stabilization fund and a permanent research funding stream.** The House approved HB1379 which contains up to $10 million from the Legacy streams to support institutional research. We ask you to support that bill and to consider the addition of a stabilization fund study to HB1003.

The state, our system, and our workforce continue to face new challenges and unprecedented change. As you know, change brings with it an equally unprecedented opportunity for the state and our public higher education system to become leaders within emerging industries. The NDUS is well positioned to take on these challenges to provide North Dakota's future workforce and leaders.

I am available to answer your questions. Thank you.

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**Engrossed HB1003**
Senate Appropriations Committee
March 3, 2023
Tim Mihalick, State Board of Higher Education Vice Chair

Chair Bekkedahl and Committee Members: My name is Tim Mihalick and I serve as the Vice Chair of the State Board of Higher Education. I am here today to discuss Engrossed HB1003.

The State Board of Higher Education (SBHE) has eight voting members selected via committee and appointed by the governor and approved by the Senate. We have two non-voting board members who serve in an advisee role as representatives of both the staff and faculty that work within our higher education system. Our mission is to enhance the quality of life, and the social and economic vitality of all served by its public colleges and universities.

Our Board has six strategic goals that include: workforce development, which was added last year to help address workforce issues in the state; preparing students for success; optimizing student affordability while maintaining campus financial health; providing access to programs people want, where and when they need them; maximizing the strengths of a unified system; and research excellence and innovation.

We thank the legislature for its past support of higher education and the governor for his budget recommendations. We are encouraged by the budget approved by the House and stand ready to assist as you continue your work in the Senate.

On February 23rd the SBHE endorsed the engrossed House version of HB1003, with two exceptions. Section 19 and section 20 of the bill infringe on the Board's constitutional responsibilities for institutional administration and academic programming. The SBHE respectfully requests these sections be removed from the bill.

The State Board of Higher Education exists to serve the state and its citizens, as you do, and our job is to ensure that policy reflects the needs of our students and the staff and faculty that are the backbone of our institutions. It is the connection of people, higher education, and workforce, which continues to guide us into the future. The three pillars that we focus on to develop the future of higher education include:

1. Workforce:

   Our budget request included workforce training and innovation investment opportunities for the state that create economic diversification through research and further innovation on our campuses. Public private partnerships as well as partnerships with industry and business, are very important to both connect students with jobs and continue to build North Dakota's economy. Some wonderful examples already in place include:

   - *Dual Mission:* Dickinson State University is working with Dickinson Public Schools and

Career and Technical Education on the proposed construction of a career academy to train area high school and post-secondary students in fields like welding, truck driving, diesel mechanics, Certified Nursing Assistant, and other health care careers, and possibly even robotics.

- *Apprenticeships and Internships:* Lake Region State College (LRSC) is continuing to work on apprenticeships, including with Northrup Grumman in New Town and another coming to the Grand Sky facility at the Grand Forks Air Force Base. LRSC has also expanded its wind energy technical training to Tioga to train oilfield workers to work on wind farms.
- *Career and Technical Education:* Dakota College at Bottineau and Minot State University (MiSU) have been collaborating on a new Center for Career and Technical Education that will open within the next year. Beyond the two campuses, this highly collaborative project has involved many partners including the City of Minot, the Minot Area Chamber-EDC, the MiSU Development Foundation, Trinity Health and a federal HUD grant. This downtown Minot Center will provide training in dental assisting and dental hygiene, as well as other new 1- and 2-year CTE educational options that will benefit central and western North Dakota for years to come.

We continue to find great success through Public Private Partnerships and strive to continue utilizing them across the system to address capital funding needs. This lowers the burden to the state and allows for needed improvements.

2. Innovation:

Our campuses continue to innovate throughout the system including in classroom study/space, research and adapting ever-evolving technology in learning spaces that eventually helps students innovate in the workplace. Examples of innovation include:

- *Dakota Digital Academy:* The Dakota Digital Academy (DDA) was launched to coordinate, expand, and enhance educational opportunities in computing and cyber sciences in North Dakota and the upper Midwest. The DDA has funded the development of several certificates and classes in cybersecurity and software development. The courses are offered through a web portal and are stackable to serve workforce needs.
- *E-COR – Electronic Curriculum Open Resources:* The future of higher education will include increased pressure for high quality, relevant online education courses and content. By working as a system, we have an opportunity to create the best online higher education content and system in the country. The basic framework is that faculty can share course content they have created across the system with an incentive to reward the faculty member whose course is used more frequently. This will ensure content and courses are current, relevant and the best in the country.

3. Student success:

   Student success is the cornerstone of our overall success. We know legislative support for scholarships such as the *Challenge Grant* and *Career Builders* has been valuable to students being able to access higher education needs throughout the system. We encourage continuation of these programs to support our students' learning needs.

   Equally important is student mental and behavioral health. We are in the business of educating the whole being of students to ensure their success. We have received direct feedback from our students emphasizing the importance of these needs and have responded through the student tele-mental health, which has proven to be a great resource for our campuses.

   We also advocate for continuing dual credit opportunities. Students from across the state can save time and money through dual credit and begin a foundation for higher education attainment more quickly and at a lower cost. It is an opportunity that can mean college is more affordable, more accessible and less time consuming once a student gets to college.

   Relatedly, pathways are in place at our two-year institutions that provide high school students the opportunity to earn an associate's degree alongside their high school diploma, saving students up to two years of time and a cost savings, thanks to the discounted dual credit rate.

In support of these three pillars, we need a strong foundation in which higher education can serve our communities, state, and students. To this end, we support the development of a stabilization fund that would make higher education less susceptible to the highs and lows of the markets, which hinders our ability to create opportunities for students and feasible job skills for the workplace. We request you consider the addition of a stabilization fund study to HB1003.

In closing, we are committed to preparing students for lifelong learning and to support a broad spectrum of workforce needs throughout the state. In our pursuit of connecting students to careers, we want to ensure North Dakota is also prepared to meet the challenges ahead. We will continue to work toward the betterment of the entire state and delivering the benefits of higher education our communities are accustomed to.

The University system and its 11 institutions provide the state with an educated workforce ready to meet the challenges of an ever-changing work environment while providing outreach and continuing education programs for the state's residents and businesses. We will continue to create and support jobs and employment opportunities through research, extension, and teaching activities, all of which provide economic benefits to enhance local and state economies.

I am available to answer your questions. Thank you.

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# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

State Board of Higher Education Vice Chair

Tim Mihalick

NORTH DAKOTA
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# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

NDUS Chancellor

Mark R. Hagerott, Ph.D.

# NDUS 101

11 public institutions

- Five community colleges
- Four regional universities
- Two research institutions

Core Technology Services

System Office

## Statewide Collaborative System

NORTH DAKOTA UNIVERSITY SYSTEM

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# What We Do

Workforce

- Attract
- Train
- Re-Train
- Customized Training

Diversify the economy

- New Industries
- Adapt to innovation

Local Economic Engines (multiplier effect)

## Build Workforce and Help Support Economic Vitality

North Dakota University System
Access. Innovation. Excellence.

# What We Do

Take care of people

- Nurses
- Teachers
- Social Workers
- Police/First Responders

Create good citizens

- Era of censoring of campus research, teaching, and student groups

## Create the "Caring" Workforce and Support Community Vitality

Majority of NDUS grads enter the ND workforce and stay in the state

North Dakota University System
Access. Innovation. Excellence.

# How We Serve the State

- Adaptable campuses, responsive to local economy and community
- Collaborative System of Transfer and Shared Courses (e.g., 2+2)
- Shared Services where it makes sense (Learning software, cybersecurity)

Hundreds of academic programs (2 yr to Ph.D)

Hundreds of certificates

Delivery: Face-to-Face, Online, and Hybrid

NORTH DAKOTA UNIVERSITY SYSTEM
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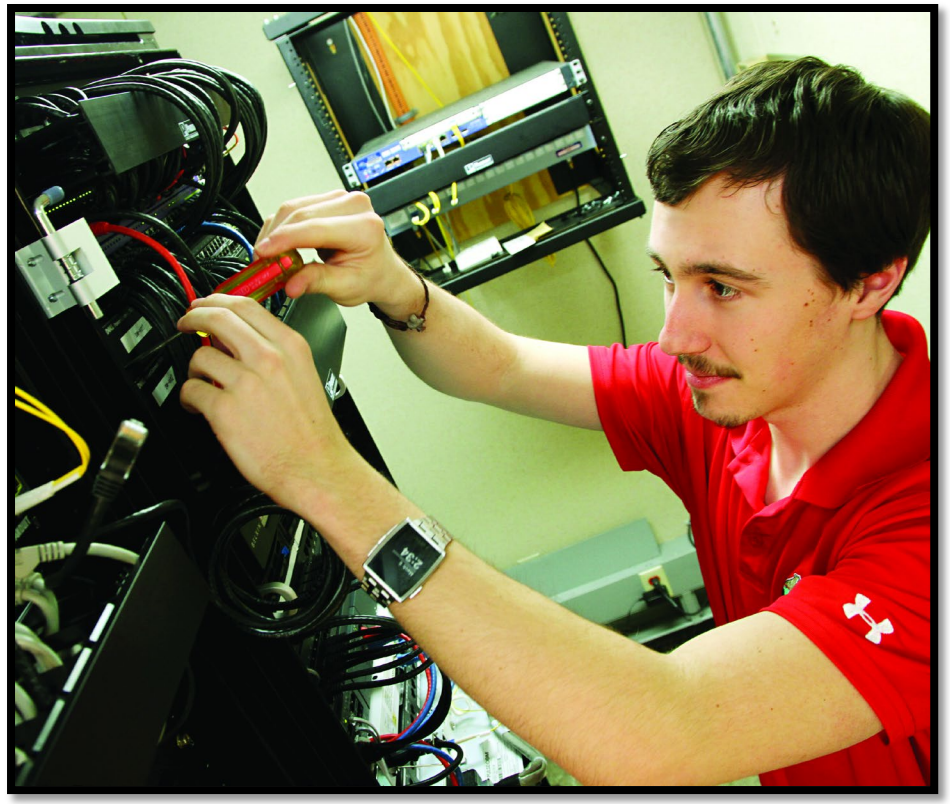
# Supporting Legislative and Executive Branch Efforts

- Workforce is Job One...43,500 students in workforce pipeline
- Attract 13,000 'out-of-state' students, all potential ND workers (and families)
- TrainND customized training
- Senior and community enrichment opportunities
- College for Kids – dual credit to high school students
- Community Vitality thru recreation and entertainment (theater, music, rodeos, and athletics)
- Support Tribal Colleges, underserved Rural Areas (e.g., DDA, online)

# Summary of Campus Priorities

- Support for Workforce Development Mission (emphasis on healthcare, agriculture, engineering)
- Research & Innovation Competitiveness with other states
- Behavioral Health of our young people
- Funding Formula Adjustments
- Compensation/Equity Gaps
- Past Inflation Impacts of 2021-2022



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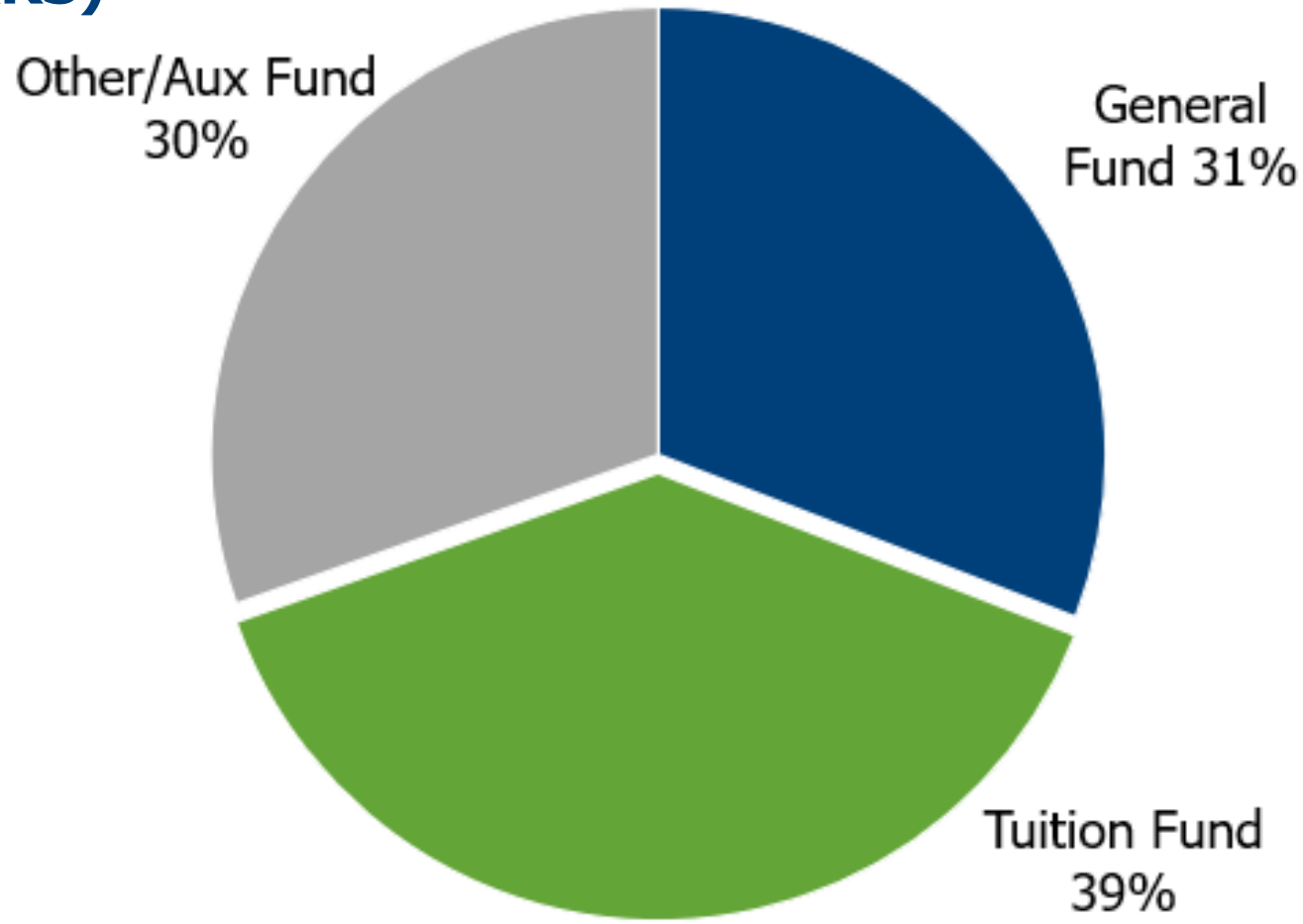
# Salary Funding Sources: families carry a heavy load (over 1/3 on average)
## (2021-23 IBARS)

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# Compensation After Past Inflation

**6 and 4-percent salary increases would have positive impacts on the workforce**

| Retain staff and faculty | Attract Talent | Lift Morale |
|---|---|---|

**Student-funded positions would not be supported by a 6 and 4 increase**

**Failure to address past inflation could negatively impact state workforce**

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# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

North Dakota Student Association President

Christopher Scott

# ND Student Association

- Keep tuition affordable to students
- Behavioral Health Initiative ($3.6 million proposed)
- Support Scholarships and Initiative that make college more affordable to students

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# Stabilizing Workforce, Communities, and Economy… our Grandparents challenge…

*Photos courtesy of Okla. Historical Society, U.S. Forest Service, and the N.C. Forest History Society.*

Our Challenge Today: Stabilize Training & Education to Flourish in a modern Economy and reduce out-of-state poaching. How?

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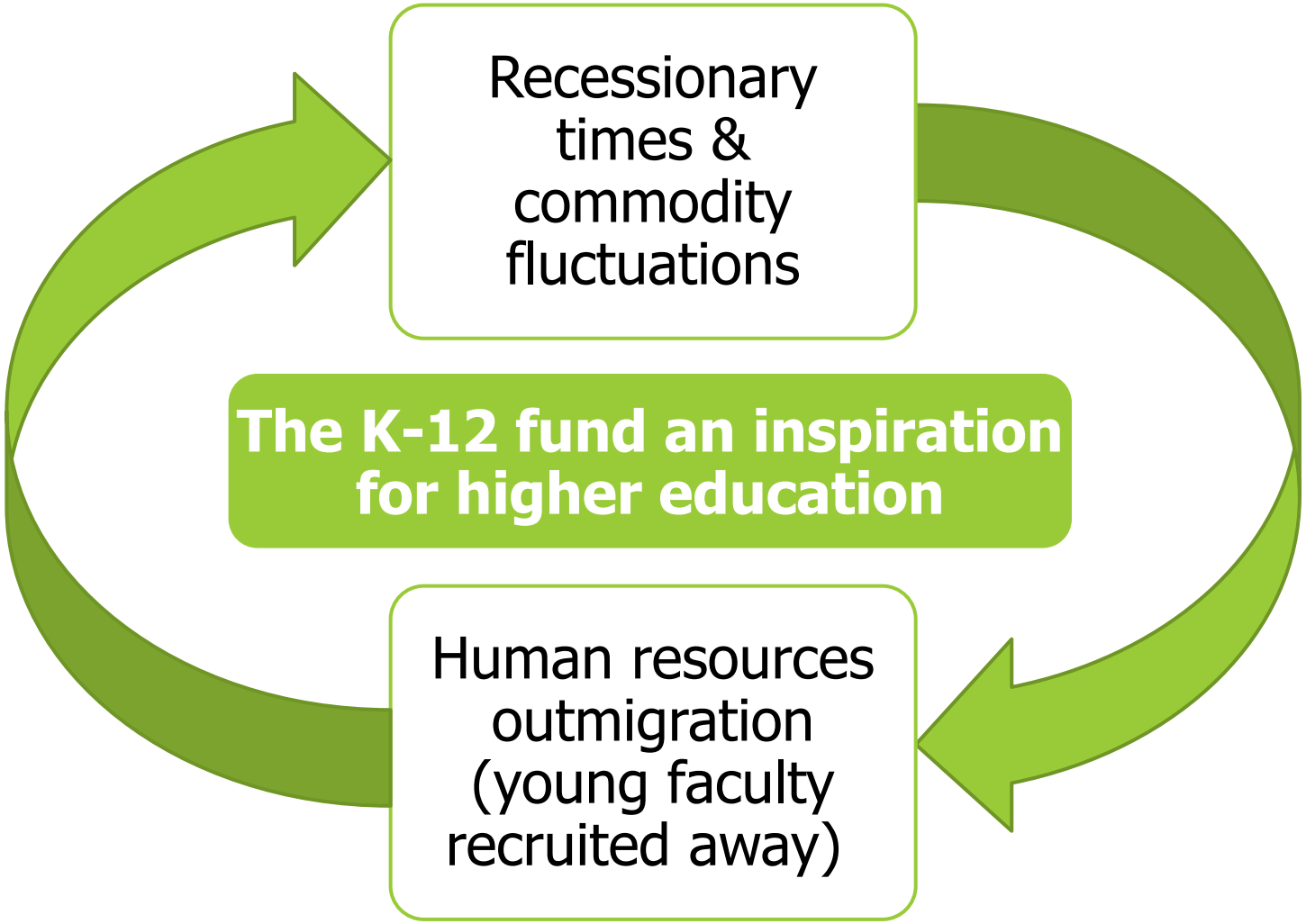
# Stabilizing the Education of our People in a Commodity-Centric Economy during Unstable times

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# Restore Wise Legislative Precedent: Funding *Circuit Breaker* of Performance-Based Formula

(note: 2021 Legislative Interim Committee Recommendation was to restore)

**Funding Formula**

- Established 10 years ago
- A performance-based model
- Uses student credit hours to establish campus funding
- More details later

**Restore minimum amount payable (circuit breaker)**

- Slows funding decreases if credit production drops
- Provides time to plan/ reduce operational costs
- Provides time for enrollment strategy & program adjustment to stabilize or increase credit production

# Responding to Energy Workforce Shortages: Oil & Gas Scholarships (pilot program)

- **Recruit** and train individuals to work in the ND energy industry
- **Retain** current energy workers to keep them in state with ND-funded scholarships that can **Re-Train**, or up-skill for ANY industry later
- **Build a Reserve** or 'bullpen' of workers ready to step into energy sector jobs as they become available
- **Inspiration: Military GI Bill**

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# Accelerate Adaption to Changing Economy *Workforce Education Innovation Fund*

- Start-up funds to establish innovative high-demand programs to meet workforce needs
- Provides curriculum development, purchase of equipment and technology to train or certify new and existing instructors
- Promote programs to respond to workforce needs of the state

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# Respond to Digitization

- North Dakota's Own Big Data: State Longitudinal Data System
- Statewide Digital Program: Dakota Digital Academy
- Network security efficiencies by working systematically
- Digital Literacy: A general education requirement of all students (we need help with this)

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# Maintain High Quality NDUS Staff/Faculty after Years of Reductions

## Focused on Efficiencies with Huge Savings

- Belt tightening past 3 Legislative Sessions
- NDUS staffing, **Reduced 800 FTEs** since 2017
- Greater Staff/Faculty Reductions than 16 other Western States (WICHE) from 2015-21

## Urgent now to Attract and Retain talent

- Out-of-state universities are poaching our talent
- Other states call NDUS the "candy jar" of talent
- Need for competitive pay and stability in future

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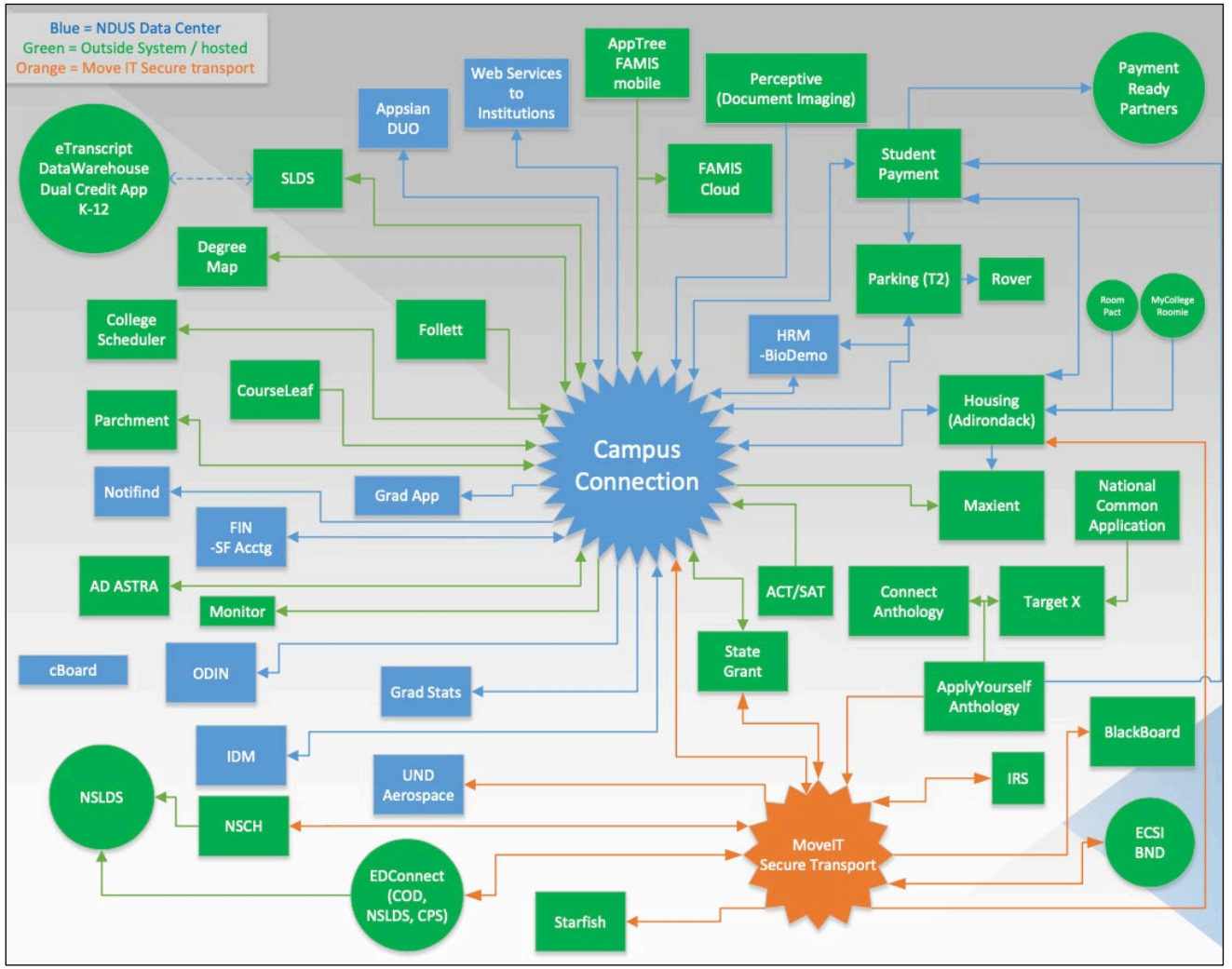
# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

Vice Chancellor for Information Technology / CIO

Darin King

# Consolidated, Resilient IT systems

- Student Information System
- Financial System
- HR System
- Security Operations Center
- Ancillary Systems



# IT Challenges and Considerations

**Software costs have increased 23% since 2015**

- requesting $3M adjustment to base general fund appropriation

**Continue to Strengthen Cybersecurity**

- NDIT Advanced endpoint $1,000,000
- Advanced email security, $400,000
- 2 FTEs, $400,000

**NDUS Longitudinal Data System in our state/Data Warehouse**

- Tied to NDIT NDSLDS request, $2,000,000

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# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

Vice Chancellor for Academic and Student Affairs

Lisa A. Johnson

# Strength of NDUS Enrollment

- NDUS 2022 enrollment up; contrast 3% decline in national enrollment
- Seamless transfer and campus collaboration
- Future growth: dual credit, ND high school graduates, & returning adults

# Critical to Fulfilling Workforce Needs

- Certificate Programs – relevant, stackable, flexible
- 13,000 in-person, out-of-state enrollments
- 10,000+ graduates each year: majority in high need areas education, healthcare, and business

# Paying for College

- Academic and CTE Scholarships
- ND Career Builders Scholarship and Loan Repayment
- Dual Credit Tuition Scholarship

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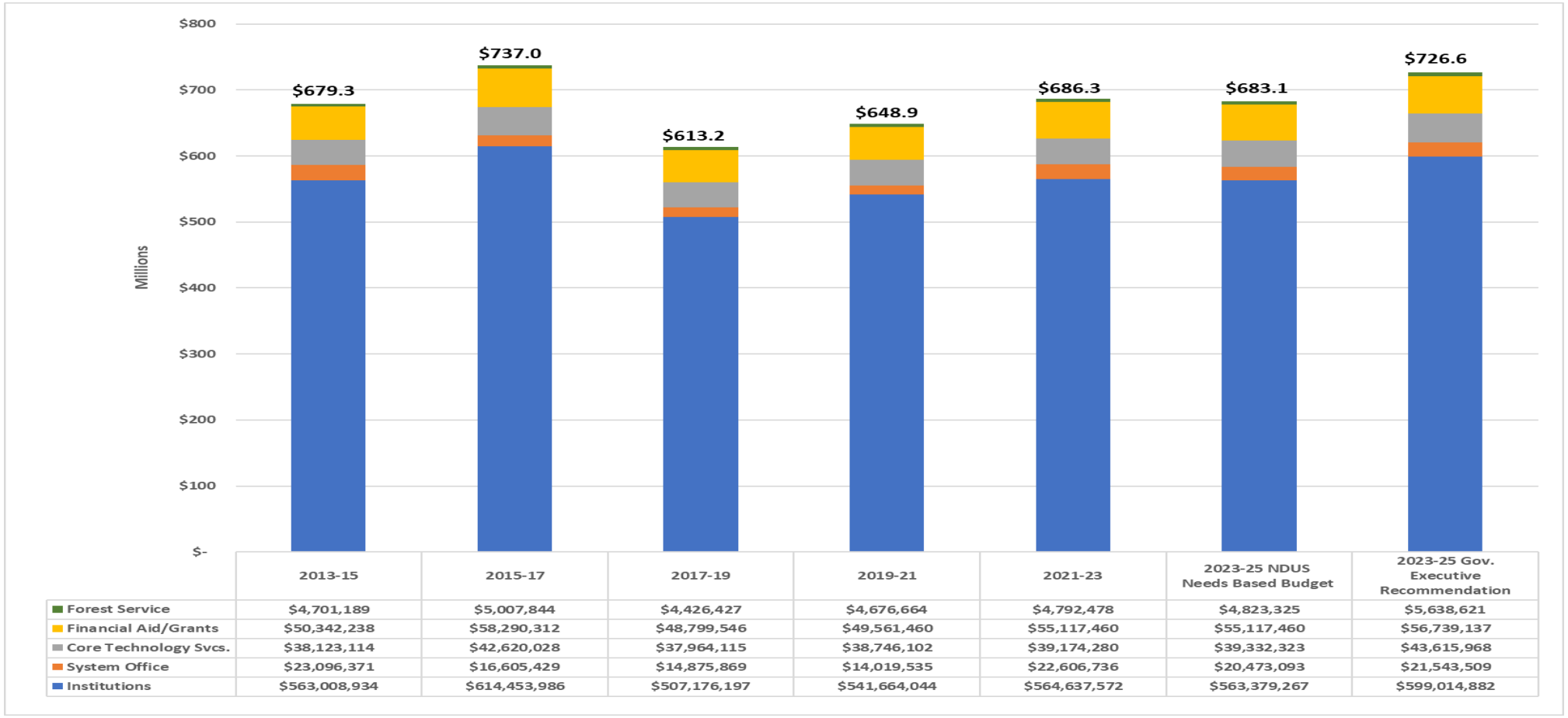
# HOUSE APPROPRIATIONS HB 1003 TESTIMONY

Vice Chancellor for Administrative Affairs / CFO

David Krebsbach

# NDUS State General Fund Appropriations: Only 1% Growth Since 2013-15 Biennium




| | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 NDUS Needs Based Budget | 2023-25 Gov. Executive Recommendation |
|---|---|---|---|---|---|---|---|
| Forest Service | $4,701,189 | $5,007,844 | $4,426,427 | $4,676,664 | $4,792,478 | $4,823,325 | $5,638,621 |
| Financial Aid/Grants | $50,342,238 | $58,290,312 | $48,799,546 | $49,561,460 | $55,117,460 | $55,117,460 | $56,739,137 |
| Core Technology Svcs. | $38,123,114 | $42,620,028 | $37,964,115 | $38,746,102 | $39,174,280 | $39,332,323 | $43,615,968 |
| System Office | $23,096,371 | $16,605,429 | $14,875,869 | $14,019,535 | $22,606,736 | $20,473,093 | $21,543,509 |
| Institutions | $563,008,934 | $614,453,986 | $507,176,197 | $541,664,044 | $564,637,572 | $563,379,267 | $599,014,882 |

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# Performance-Based Funding Formula

- Established during the 2013 North Dakota Legislative Assembly.
- Cost-based funding model providing a fixed dollar amount per completed adjusted student credit hour.
- Student Credit Hours (SCH) used are from the most recently completed biennium (2023-25 calculation uses SCH from the 2019-21 biennium). This performance model rewards institutions for students' progress towards completion.
- Completed SCH's are applied to instructional program factor weights which are then multiplied by a credit completion factor and then to a per credit dollar amount established in statute.

| 2021 Credit Completion Factors | | | |
|---|---|---|---|
| Completed SCH | Factor | Completed SCH | Factor |
| < 30,000 | 1.80 | 120,000 - 129,999 | 1.20 |
| 30,000 - 39,999 | 1.70 | 130,000 - 134,999 | 1.15 |
| 40,000 - 49,999 | 1.60 | 135,000 - 179,999 | 1.10 |
| 50,000 - 59,999 | 1.50 | 180,000 - 239,999 | 1.05 |
| 60,000 - 69,999 | 1.40 | 240,000 + | 1.00 |
| 70,000 - 119,999 | 1.30 | | |

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# Performance-Based Funding Formula (Continued)

- 2021 Legislature implemented changes to establish the current factor as the new base. Credits above the base receive a 1.0 weighting factor.
- Two-year colleges paid at regional university rate for upper division SCH (polytechnic).
- Regional universities paid at two-year college rate for lower division CTE credits (dual mission).
- Capital investments are appropriated separately. The Legislative Assembly can appropriate additional amounts as necessary.

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# Higher Education Funding Formula (Continued)

| Institution | 2019-21 Completed SCH | 2019-21 Weighted SCH | WSCH Base Factor | Historical Base Factor | WSCH Growth Factor | Credit Growth Factor | 2019-21 Adjusted SCH | 2021-23 Base Per Credit Hour | Adjustments | Prelim 2023-25 Base | 2021-23 Base | 2023-25 Base Incr/Decr | | 2023-25 Base % Incr/Decr |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | 139,377 | 288,369 | 288,369 | 1.10 | 0 | 1.00 | 317,206 | $98.84 | ($101,618) | $31,251,023 | $32,084,055 | ($833,032) | ↓ | -2.60% |
| DCB | 31,746 | 56,796 | 55,050 | 1.80 | 1746 | 1.00 | 100,836 | $98.84 | $0 | $9,966,630 | $9,537,862 | $428,768 | ↑ | 4.50% |
| LRSC | 54,480 | 88,253 | 88,253 | 1.50 | 0 | 1.00 | 132,380 | $98.84 | $0 | $13,084,439 | $14,242,152 | ($1,157,713) | ↓ | -8.13% |
| NDSCS | 106,401 | 246,809 | 246,809 | 1.30 | 0 | 1.00 | 320,852 | $98.84 | $0 | $31,713,012 | $35,714,792 | ($4,001,780) | ↓ | -11.20% |
| WSC | 37,801 | 67,990 | 67,990 | 1.70 | 0 | 1.00 | 115,583 | $98.84 | $0 | $11,424,224 | $11,286,737 | $137,487 | ↑ | 1.22% |
| DSU | 60,000 | 152,927 | 152,927 | 1.50 | 0 | 1.00 | 229,391 | $92.60 | $0 | $21,241,607 | $20,242,730 | $998,877 | ↑ | 4.93% |
| MASU | 47,249 | 130,703 | 130,703 | 1.60 | 0 | 1.00 | 209,125 | $92.60 | $0 | $19,364,975 | $18,679,828 | $685,147 | ↑ | 3.67% |
| MISU | 128,850 | 382,912 | 382,912 | 1.20 | 0 | 1.00 | 459,494 | $92.60 | $0 | $42,549,144 | $41,206,630 | $1,342,514 | ↑ | 3.26% |
| VCSU | 67,531 | 179,920 | 172,389 | 1.50 | 7531 | 1.00 | 266,115 | $92.60 | $0 | $24,642,249 | $24,161,377 | $480,872 | ↑ | 1.99% |
| NDSU | 629,828 | 2,116,803 | 2,116,803 | 1.00 | 0 | 1.00 | 2,116,803 | $61.81 | $0 | $130,839,593 | $138,431,325 | ($7,591,732) | ↓ | -5.48% |
| UND | 630,113 | 3,375,173 | 3,375,173 | 1.00 | 0 | 1.00 | 3,375,173 | $61.81 | $0 | $208,619,443 | $208,373,934 | $245,509 | ↑ | 0.12% |
| Totals | 1,933,376 | 7,086,655 | | | | | 7,642,958 | | | $544,696,339 | $553,961,422 | ($9,265,083) | | -1.67% |

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# 2023-25 Base General Fund Budget Request

| North Dakota University System | | | |
|---|---|---|---|
| **2023-25 Needs-Based Budget Request Comparison to Executive Recommendation** | | | |
| **Base Budget - Needs-Based** | **Total NDUS Request** | **Executive Recommendation** | **Variance from NDUS Request** |
| | **General Fund** | **General Fund** | **General Fund** |
| **2021-23 Needs-Based Budget** | $ 686,328,526 | $ 686,328,526 | $0 |
| Cost to Continue Salaries | 3,033,698 | 3,033,698 | 0 |
| State Bond Payments | (2,187,368) | (2,187,368) | 0 |
| Funding Formula - SCH Production Changes | (9,265,083) | (9,265,083) | 0 |
| Funding Formula - Minimum Amount Payable | 5,215,694 | 5,215,694 | 0 |
| Compensation Package(6%-1st yr./4%-2nd yr & State paid Health Ins.) | 0 | 38,501,167 | 38,501,167 |
| Other program base increases | 0 | 4,925,482 | 4,925,482 |
| **2023-25 Needs-Based Budget** | **$ 683,125,467** | **$ 726,552,116** | **$ 43,426,649** |
| **Dollar Change from 2021-23 Base** | **$ (3,203,059)** | **$ 40,223,590** | |
| **Percentage Change from 2021-23 base** | **-0.5%** | **5.9%** | |

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# 2023-25 Optional General Fund Budget Requests

| Investments (General Fund Optional Adjustment Requests) | Total NDUS Request | Executive Recommendation | Variance from NDUS Request | |
|---|---|---|---|---|
| **Systemwide Projects / Initiatives** | | | | |
| Workforce Education Innovation Grant Program - one-time | $ 24,000,000 | $ 10,000,000 | ($14,000,000) | 1-time funds |
| Education Scholarships for Energy Workforce - one-time | 10,000,000 | 10,000,000 | 0 | 1-time Legacy Funds |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - base | 3,640,624 | 3,640,624 | 0 | 1-time NDUSO |
| Veterans Program - base | 177,000 | 177,000 | 0 | |
| Dakota Digital Academy - one-time | 450,000 | 450,000 | 0 | 1-time funds |
| Systemwide Marketing Program - one-time | 900,000 | - | (900,000) | |
| Forest Service - Cooperative Fire Protection Initiative - One-time | 187,000 | 187,000 | 0 | |
| Forest Service - Forest recreation enhancement - One-time | 200,000 | 200,000 | 0 | |
| **NDUSO - Student Grants** | | | | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 | 1,000,000 | 0 | |
| Financial Aid Systems - Licensing & Maintenance($1,554,354 implementation - One-time; $273,180 annual cost - Base) | 1,827,534 | 1,827,534 | 0 | 1-time $1.55M |
| **NDUSO - System Security & Research** | | | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations Center - Base | 4,800,000 | 2,500,000 | (2,300,000) | |
| CTS - $2M Data Warehouse and Predictive Analytics | 2,000,000 | 0 | (2,000,000) | Included in NDIT |
| Assistant Vice Chancellor - Research and Workforce - Base | 425,000 | 0 | (425,000) | |
| **Investments (Optional Adjustment Requests)** | **$ 49,607,158** | **$ 29,982,158** | **$ (19,625,000)** | |

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# 2023-25 Optional General Fund Budget Requests

| Other NDUS Executive Recommended State Funded Programs | | |
|---|---|---|
| Native American Scholarship | $ 444,677 | Increased to $1M GF |
| Capital Building funds | 19,000,000 | SIIF |
| Challenge Grant | 50,000,000 | Legacy Funds |
| Capitol Building Rent | 143,625 | General Funds |
| | | |
| **NDUS Executive Recommended State Funded Capital Projects** | | |
| LRSC - Gearbox for Wind Turbine | $ 600,000 | SIIF-$480k; $120k Local fund match |
| DSU - Ag Building Renovation | 900,000 | SIIF-$900k- Planning and design. |
| MaSU - Old Main Renovation | 3,779,100 | SIIF- $3.8M- Planning and design |
| MiSU - Dakota Residence Hall Demolition | 765,000 | SIIF-$765k |
| DCB - Old Main/Center for Rural Health | 3,700,000 | SIIF-$3.7M |
| **NDUS Executive Recommended Special Funded Capital Projects** | | |
| UND - EERC AMPF & Elec. Dist. | $ 33,000,000 | Special fund authority |
| NDSU - Music Building Addition | 20,000,000 | Special fund authority |
| NDSU - Sudro Hall Small Animal Research Facility | 3,000,000 | Special fund authority |
| VCSU - Osmon Field House Athletic Addition | 20,000,000 | Special fund authority |
| VCSU - Student Center Renovation | 2,000,000 | Special fund authority |

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# Capital Budget

# 2023-25 Investment Opportunities – Capital Funding Request

- $291 million Total Request
  - $236.5 million general fund
  - $54.5 million non-general fund
- Highest priority general fund project at each institution prioritized by:
  - % life safety & deferred maintenance
  - % of local funding
  - Projects address life/health/safety issues, deferred maintenance, and program driven needs. $188.3 million in combined deferred maintenance and life/health/safety issues

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# 2023-25 Investment Opportunities – Capital Funding Request

**CAPITAL PROJECT REQUEST RECOMMENDATION**
**(DM-Deferred Maintenance; LS- Life Safety; PED- Program & Enrollment Driven)**

| Institution | Institution Priority | SBHE Priority | Project Title | Project Total | Funding Source | | Project Type | % DM/LS | % PED | % Local $ | Amount DM/LS $ |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | General Funds | Other Funds | | | | | |
| DCB | 1 | 1 | Old Main/Center for Rural Health Education | $1,375,000 | $1,375,000 | | Major renovation to existing facility. | 100% | | 0.00% | $1,375,000.00 |
| LRSC | 1 | 1 | Wind Turbine Gearbox Replacement | $600,000 | $600,000 | | Equipment repair. | 100% | | 0.00% | $600,000.00 |
| MaSU | 1 | 1 | Old Main Renovation | $49,970,100 | $49,970,100 | | Major renovation to existing facility. | 100% | | 0.00% | $49,970,100 |
| MiSU | 1 | 1 | Dakota Residence Hall Demolition | $765,000 | $765,000 | | Removal of facility | 100% | | 0.00% | $765,000.00 |
| DSU | 1 | 2 | Agriculture & Technical Education Building | $12,500,000 | $9,100,000 | $3,400,000 | Major renovation to existing facility. | 90% | 10% | 33.33% | $11,250.00 |
| NDSU | 1 | 3 | Engineering Building | $111,600,000 | $83,700,000 | $27,900,000 | New construction with major renovation to existing facility | 85% | 15% | 25.00% | $94,860,000.00 |
| VCSU | 1 | 4 | McCarthy Hall Renovation | $13,439,000 | $11,439,000 | $2,000,000 | Major renovation to existing facility. | 60% | 40% | 23.57% | $8,063,400.00 |
| UND | 1 | 5 | Science, Engineering, & National Security Corridor Planning & Demolition | $14,500,000 | $11,600,000 | $2,900,000 | Renovation, removal, and planning | 51% | 49% | 20.00% | $7,395,000,000 |
| BSC | 1 | 6 | Multipurpose Academic/Athletic Performance Center | $31,500,000 | $25,000,000 | $6,500,000 | New construction with demolition of existing facility. | 30% | 70% | 22.81% | $9,450,000.00 |
| NDSCS | 1 | 7 | Agriculture, Automation & Autonomous Systems | $18,171,405 | $16,354,264 | $1,817,141 | Major renovation to existing facilities and new construction. | 25% | 75% | 10.00% | $4,542,851 |
| WSC | 1 | 8 | Medical Healthcare Building | $36,600,000 | $26,600,000 | $10,000,000 | New Construction | | 100% | 27.32% | $0.00 |
| | | | **State General Fund Projects** | **$291,020,505.** | **$236,503,364** | **$54,517,141** | | | | | **$188,271,351** |

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# 2023-25 Investment Opportunities – Capital Funding Request – non-General Fund Projects (unranked)

| INSTITUTION | PROJECT | COST | SOURCE OF FUNDS |
|---|---|---|---|
| NDSU | MUSIC BUILDING | $20,000,000 | DONATIONS |
| NDSU | SUDRO SMALL ANIMAL LAB | $3,000,000 | GRANTS/OTHER |
| VCSU | OSMON FIELD HOUSE | $20,000,000 | DONATIONS |
| VCSU | STUDENT CENTER Renovation and Repair | $2,000,000 | DONATIONS |
| UND | EERC AMPF & ELEC. DIST. | $33,000,000 | $30M LEASE REVENUE BONDS<br>$3M LOCAL FUNDS |

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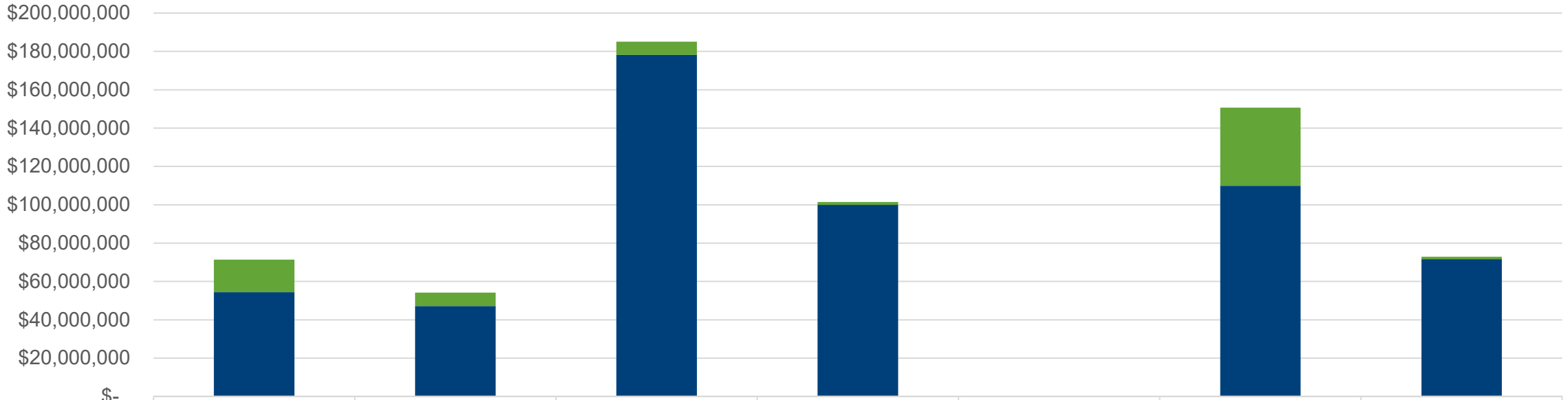
# Capital Project History – State Funded

**Capital Project Appropriations**
All NDUS insitutions and NDSU agriculture entities
Paid by State General Fund, Permanent Oil Trust Fund or State Bonds




| | 2009-11 | 2011-13 | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 |
|---|---|---|---|---|---|---|---|
| NDSU Ag Entities | $17,000,000 | $6,991,650 | $6,875,000 | $1,500,000 | $100,000 | $40,750,000 | $1,335,000 |
| NDUS Institutions | $54,408,248 | $47,136,000 | $178,174,763 | $99,909,212 | $- | $109,900,000 | $71,600,000 |

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# THANK YOU

North Dakota Veterinary Medical Association
P.O. Box 1231
Bismarck, ND 58502-1231
T | 701.221.7740 F | 701.751.4451
E | execdir@ndvma.com Website: www.ndvma.com

**Testimony of Laura Beaudoin, Veterinarian**
**In Support of HB 1003**
**March 3, 2023**

Chairman Bekkedahl and members of the Senate Appropriations Committee:

I am Dr. Laura Beaudoin, and I am an associate veterinarian at All Pets Veterinary Clinic in Bismarck. As a former PSEP recipient, I'd like to voice support of HB 1003, specifically the funding for the Professional Student Exchange Program (PSEP). I also am voicing support for PSEP funding on behalf of the North Dakota Veterinary Medical Association.

PSEP funding is vital for veterinary medicine for the following reasons:

1) **PSEP provides a level playing field for North Dakota students to have access to veterinary medicine programs.** PSEP enables students to enroll in academic programs not available in North Dakota and receive financial aid to cover the extra cost of out-of-state tuition. Veterinary medicine is one of these programs, an occupation that is essential to North Dakota, yet not offered by any of our educational institutions.
    - 85% of North Dakota veterinary medicine students utilize PSEP; without access to PSEP veterinary medicine programs the number of ND students becoming veterinarians would be compromised. (PSEP supports up to 12 veterinary medicine students/year).

2) **PSEP provides vital funding to help offset some of the non-resident tuition costs**. Most of North Dakota's veterinary medicine students are charged twice the amount for tuition costs compared to tuition costs for residents of a respective State.
    - I.e., non-resident tuition costs $58,777/year vs. resident tuition costs $27,879/year
    - PSEP provides financial support ranging from 25% to 50% of the "non-resident" tuition costs for a ND veterinary medicine student.

3) **The debt-to-income ratio is increasing steadily each year for veterinary medicine graduates. PSEP funding provides viability for students to pursue veterinary medicine.**
    - On average, student debt for veterinary medicine students has increased each year by $3,199 due to rising tuition fees. New graduate salaries are not increasing proportionally.
    - In 2021, 84% of veterinary medicine new graduates had a mean debt of $186,430.
    - Starting salaries for veterinarians are disproportionate across work sectors with the highest mean salary at $103,881 (companion animal practice) to the lowest mean salary at $54,539 (equine practice). The debt-to-income ratio continues to be of concern.

As a former recipient, I can provide a first-hand testament to the value of the program and how it allowed me to pursue a career in veterinary medicine.

This program allows North Dakota students, like myself, to be able to pursue a career while not saddling us with the extreme costs of out-of-state tuition. Without PSEP, out-of-state veterinary education costs could prohibit North Dakota students from considering it as a viable career option. After my parents and I crunched the numbers when I was applying to veterinary colleges, I turned down an offer of an out-of-state slot at Colorado State University because I knew I wouldn't be able to make enough money as a large animal veterinarian in ND to be able to make minimum loan payments. I was forced to consider pursuing a different career altogether or take the slot knowing I wasn't going to be able to return home. Thankfully, my story has a happy ending, I ended up qualifying for a PSEP slot and was able to return to North Dakota four years later and start my career as a mixed animal veterinarian.

PSEP is important in supporting our students in their education by providing the opportunity to study programs that aren't offered at North Dakota colleges. PSEP is instrumental in keeping education costs reasonable for our students which will allow veterinarians to return to ND to practice instead of forcing them to look for more lucrative jobs around the nation just to be able to make their loan payments. Finally, PSEP shows support for the ND veterinary industry by encouraging students along this career path when they may otherwise defer to human medicine, pharmacy or other science and agriculture related programs.

Thank you for your continued support of PSEP funding as well as the opportunity to address the committee and express support for HB 1003.

**GREATER NORTH DAKOTA CHAMBER**
**HB 1003**
**Senate Appropriations Committee**
**Education and Environment Division**
**Chair Ron Sorvaag**
**March 2, 2023**

Mr. Chairman and members of the Committee, my name is Andrea Pfennig with the Greater North Dakota Chamber. GNDC is North Dakota's largest statewide business advocacy organization, with membership represented by small and large businesses, local chambers, and trade and industry associations across the state. We stand in **support** of House Bill 1003 as it relates to reauthorization of the Skilled Workforce Scholarship and Loan programs, otherwise known as the Career Builders program.

Recently, GNDC partnered with the NDSU Challey Institute for Global Innovation and Growth to complete a survey about the business climate in North Dakota. The survey found that 62% of respondents felt the number one factor holding businesses back is difficulty attracting and retaining qualified workers.

The results of the survey were reflected in the discussions held by our members in our policy position development process. The ability to have access to a skilled workforce is a critical issue for our members. Because of that, one of our policy goals is to support collaborative efforts between the private sector and educational institutions to better meet workforce needs.

Career Builders is a program that helps enable two and four-year educational institutions to be responsive in meeting the training needs of the business community. It is essential to continue to have access to this tool as part of the workforce solution.

It is important to note that some high demand occupations, such as CDLs, require a certificate. Financing this training can be difficult as these certificate programs are not eligible for traditional financial aid.

We hope that you will fund the **Skilled Workforce Scholarship and Loan** programs component of the bill that will help address workforce needs in North Dakota. Thank you for your consideration.

701.222.0929 ndchamber@ndchamber.com ndchamber.com PO Box 2639 • Bismarck, ND 58502

NDMCA
NORTH DAKOTA MOTOR CARRIERS ASSOCIATION

**HB 1003**
**Senate Appropriations Committee**
**Education and Environment Division**
**Chair Ron Sorvaag**
**March 3, 2023**

Mr. Chairman and members of the Committee, my name is Amanda Remynse, and I'm here today on behalf of the the North Dakota Motor Carriers Association (NDMCA), **in support** of HB 1003 as it relates to the Career Builders program.

According to the NDSU Challey Institute for Global Innovation and Growth, Transportation and Warehousing accounts for 4.7% of the state's GDP. Reliable transportation networks expand markets by allowing North Dakota businesses to sell products across the state, to other states, and internationally. North Dakota has the nation's most freight-dependent economy.

Like other industries in the state, workforce is poses a significant challenge. Our members support the creation and expansion of programs that recognize truck drivers and diesel mechanics as high demand occupations and offer financial assistance, such as scholarships and low interest loans, towards the pursuit of education in these fields. It important to note that CDL training does not qualify for traditional financial aid, so solidifying other options are important to assist in meeting this skilled workforce need.

NDMCA thanks the Committee for your consideration and urges a **do pass** recommendation.

# North Dakota Stockmen's Association
# Testimony to the Senate Appropriations Committee on HB 1003
# March 3, 2023

Good morning, Mr. Chairman and Appropriations Committee members. My name is Julie Ellingson and I represent the North Dakota Stockmen's Association.

I appear here today in support of the Professional Student Exchange Program, which is included in the University System budget. Our organization, which represents more than 3,150 cattle-ranching families, has long supported the Professional Student Exchange Program, as it provides specialized learning opportunities for North Dakota students at out-of-state veterinary schools.

North Dakota cattle producers regard their veterinarians as critical partners in their operations, helping them maintain a healthy herd and, ultimately, a profitable business.

We believe that the Professional Student Exchange Program helps entice students into this critical field, as it helps reduce at least some of their student-debt-load by providing tuition at reciprocity prices.

Many of the outstanding vets servicing our members' livestock operations are products of the Professional Student Exchange Program. We are hopeful that students will continue to have access to and benefit from this time-tested program, and, as such, we ask for your favorable consideration of this portion of the bill.

NORTH DAKOTA STUDENT ASSOCIATION | THE VOICE OF THE STUDENTS

**HB 1003**

March 3rd , 2023

Christopher Scott, North Dakota Student Association

701.340.3380 | Christopher.m.scott@ndus.edu

Chair Bekkedahl and Members of the Committee: My name is Christopher Scott, and I am the current President of the North Dakota Student Association and I am here today in support of HB 1003 and to bring in student perspective on HB 1003.

The North Dakota Student Association (NDSA) is a student organization established in 1969 dedicated to ensuring that students have a voice at the table in policy that affects Higher Education. We consist of delegates from each of the 11 public institutions meeting monthly to engage students in ND Higher Education policy. Our mission is to empower students, create collaboration between the student bodies of the North Dakota public universities, and to give a student perspective on higher education policy.

Earlier in the legislative session, after this bill had its first hearing, the NDSA passed NDSA-12-2223, which is a resolution that supports this bill. One of the biggest decisions for college students themselves is where to attend and how to pay for their education? North Dakota has historically had the lowest tuition rates in the country for years thanks to the management of the North Dakota University System (NDUS), and ample funding from the state legislature. Many students from other states and other countries come to North Dakota for an affordable, quality college education. Therefore, it is important to keep tuition affordable to students. Maintaining affordable tuition for students not only brings more students to attend colleges in North Dakota, but also supports the state economically. Additionally, once students graduate, they tend to settle in the area that they graduate from, ultimately bringing more workforce to North Dakota, and thereby more funds that North Dakota can then use going forward. It's a positive investment.

While talking about the NDUS budget, one of the things that was brought up frequently during my in the campus visits was that the University System is operating at the bare bones, and so with more funds to distribute in this legislative session than any before, I would ask the legislators to support the current proposed allocation or to increase it. Higher Education is a positive investment, the more you put in it, the more you receive in exchange, making it an effective way North Dakota can address its workforce needs, particularly in critical areas, such as teachers and nurses.

One way the legislature can do this is by reevaluating staff and faculty salaries. In today's world, inflation has impacted everything, from buildings costs to the cost of living and salaries. The Universities' proposal going into the legislative session is a 6 percent increase in salary this next year, and 4 percent increase the following year. With many sources reporting a 7 percent inflation in 2022 alone, this piece of the budget proposal is critical to keeping quality staff and faculty in North Dakota, which directly affects the quality of education the NDUS can provide. While the current proposed raises are a step in the right direction, and I support these, I would also support the legislature considering increasing these percentages to accurately reflect inflation rates, should budget allow.

Every legislative session, the NDSA passes a resolution stating its legislative priorities for that session. That resolution this year is NDSA-09-2223. Some proposed allocations in HB 1003 align directly with the legislative priorities we have established for this session. The first and foremost is the Behavioral Health Initiative. This initiative is 3.6-million-dollar proposal that adds 12 Full Time Counselors, and One Part Time Counselors positions across the NDUS institutions. Mental health is a significant indicator of whether a student will succeed in college or not. In my personal experiences, many of my friends  dropped out of college their first and second years due to personal mental health issues. Worse, there are students that have considered or have taken their own lives due to mental health issues within the last few years, a couple making headlines. There were also a several instances, particularly during COVID-19 that when students were using the counseling services that universities provide, there was a severe backlog, and for that student to be seen, they might have to wait weeks or months. This initiative would directly help with expanding the universities capacity at addressing student mental health needs.

There are also several investments that create scholarships in areas that ensure student receive education preparing them to enter workforces in emerging technologies, and increase access to student financial aid for NDUS students, both of which are NDSA legislative priorities. With HB 1003 specifically, what is proposed is a 24 million dollar innovation program, 10 million dollars for Education Scholarships for the Energy Workforce, a Veteran Program, the Dakota Digital Academy, and the ND AC/CTE Scholarships. All of these reduce barriers for students, and increase access to an affordable education. Again, one of the most important factors for students going to college is where to attend and how to afford the education.

There has also been additional scholarships and grant programs added to this bill, and the NDSA passed a resolution, NDSA-08-2223 supporting many of these. One of the most notable is the ND Challenge Grant. This particular grant is an invaluable tool for universities to attract outside donors with a matching rate. During the last biennium, the Challenge Grant had 11 million dollars allocated to it, and going through the legislative session, the current proposal for the next biennium is 33 million dollars. The NDSA, passed a resolution, NDSA-07-2223, during its November 2022 General Assembly meeting, specifically supporting the ND Challenge Grant to express its importance to the NDUS.

There have been some additions that the NDSA find concerning as well. In Section 22 of the bill, a proposal has been made that a President of an institution under control of the State Board of Higher Education may adopt policies, procedures and directives for the institution without any authoritative control from faculty and others through shared governance. This puts too much power in the hands of the presidents and takes it away from the faculty and the consumers of Higher Education, its students. Back when the United States was originally founded, the founding fathers worried that later on, one entity may gain too much power over other entities by gaining enough military power to dominate others. In order to prevent this from occurring, the founding fathers separated power among the three branches of power, the Legislative Branch, the Executive Branch and the Judicial Branch. Balance of power is important and if one entity such holds too much power, that may lead the organization in a direction that its members do not want, and so the NDSA does not support this amendment to HB 1003.

**Prepared for the Senate Appropriations Committee**

# Department 215 - North Dakota University System Office
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $210,077,663 | $26,629,233 | $236,706,896 |
| 2023-25 Base Level | 116,898,476 | 25,757,035 | 142,655,511 |
| Increase (Decrease) | $93,179,187 | $872,198 | $94,051,385 |

## First Chamber Changes

A summary of the first chamber's changes to the agency's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Mayville State University** - Section 4 appropriates $49,970,100 from the strategic investment and improvements fund (SIIF) for the renovation of Old Main at Mayville State University (MaSU).

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from SIIF.

**NDSU workforce education** - Section 7 identifies $4.8 million appropriated from the general fund to NDSU for creating or expanding programs and enrollment initiatives to address workforce needs.

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from the University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College (LRSC) to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**UND School of Medicine and Health Sciences funding** - Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education (CTE) credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Digitization of Theodore Roosevelt documents** - Section 36 removes the requirement for Dickinson State University (DSU) to establish an endowment for the digitization of documents relating to Theodore Roosevelt.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Deficiency Appropriations

**College ready English and math** - Senate Bill No. 2025 includes a deficiency appropriation of $99,768 from the general fund to Dakota College at Bottineau (DCB) for expenses related to the college ready English and math program. The Dakota College at Bottineau was to have been reimbursed for these expenses by the Department of Public Instruction (DPI) during the 2019-21 biennium.

## Significant Audit Findings

The State Auditor's office reported the University System office did not report to the appropriations committees of the 67th Legislative Assembly on its use of $5.5 million in appropriations that were continued from the 2017-19 biennium to the 2019-21 biennium.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**House Bill No. 1382** - Expands eligibility for the North Dakota scholarship to include apprenticeship program participants.

**Senate Bill No. 2025** - Provides a deficiency appropriation to DCB for reimbursement from DPI related to the college ready English and math program.

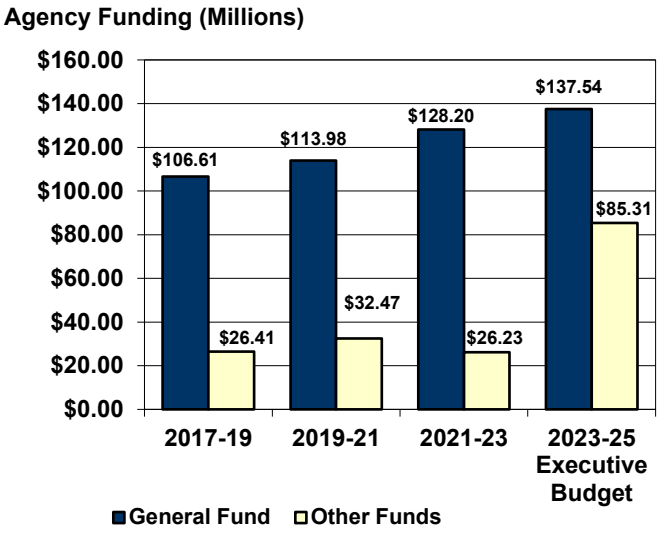
**Senate Bill No. 2032** - Appropriates $3 million from the general fund to DPI to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

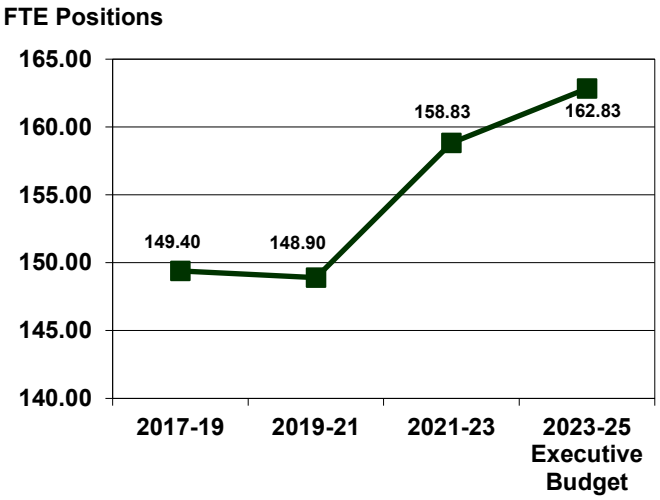
**Senate Bill No. 2197** - Appropriates $5 million from the general fund for a re-energize North Dakota scholarship program to recruit and retrain individuals to work in the oil and gas industry. This bill also appropriates $125,000 and 1 FTE to the University System office for student financial assistance and scholarship programs coordination and marketing.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Historical Appropriations Information

## Agency Appropriations and FTE Positions




## Ongoing General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| Ongoing general fund appropriations | $110,229,818 | $101,639,530 | $102,327,097 | $116,898,476 | $121,898,614 |
| Increase (decrease) from previous biennium | N/A | ($8,590,288) | $687,567 | $14,571,379 | $5,000,138 |
| Percentage increase (decrease) from previous biennium | N/A | (7.8%) | 0.7% | 14.2% | 4.3% |
| Cumulative percentage increase (decrease) from 2015-17 biennium | N/A | (7.8%) | (7.2%) | 6.0% | 10.6% |

## Major Increases (Decreases) in Ongoing General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Underfunded salaries and wages | ($578,097) |
| 2. Adjusted funding for Core Technology Services, including the removal of 1 FTE position | ($2,604,292) |
| 3. Reduced funding for student financial assistance grants | ($1,968,854) |
| 4. Reduced funding for academic and CTE scholarships | ($1,117,347) |
| 5. Reduced funding for competitive research grants | ($560,475) |
| 6. Eliminated funding for 2-year campus marketing | ($747,600) |

**2019-21 Biennium**

| | |
|---|---|
| 1. Increased funding for student financial assistance grants | $2,000,000 |
| 2. Increased funding for tribal college grants to provide a total of $1 million from the general fund | $900,000 |
| 3. Removed funding for the science, technology, engineering, and mathematics (STEM) loan forgiveness program | ($500,000) |
| 4. Transferred the teacher shortage loan forgiveness program to DPI | ($2,103,393) |
| 5. Reduced funding for capital bond payments | ($1,645,878) |

**2021-23 Biennium**

| | |
|---|---|
| 1. Increased funding for academic and CTE scholarships | $4,200,000 |
| 2. Added funding for the nursing education consortium | $1,356,000 |
| 3. Increased funding for capital bond payments | $8,425,816 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Adds funding for software costs and an information technology security operations center | $2,500,000 |
| 2. Increases funding for academic and CTE scholarships | $1,000,000 |
| 3. Increases funding for the Native American scholarship program | $444,677 |
| 4. Reduces funding for capital bond payments | ($2,187,368) |

## One-Time General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| One-time general fund appropriations | $31,467,497 | $4,970,000 | $11,650,000 | $11,300,000 | $15,644,978 |

## Major One-Time General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Provided funding for the higher education challenge fund | $2,000,000 |
| 2. Provided funding for campus workforce initiatives | $2,700,000 |

**2019-21 Biennium**

| | |
|---|---|
| 1. Provided funding for the higher education challenge fund | $9,650,000 |
| 2. Provided funding for the capital building fund program | $2,000,000 |

**2021-23 Biennium**

| | |
|---|---|
| Provided funding for the higher education challenge fund | $11,150,000 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Provides funding for the behavioral health initiative | $3,640,624 |
| 2. Provides funding for a new financial aid system | $1,554,354 |
| 3. Provides funding for the Dakota Digital Academy | $450,000 |
| 4. Provides funding for workforce education innovation grants | $10,000,000 |

## North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | |
|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 | | 1,439,734 | 542,026 | 1,981,760 |
| Health insurance increase | | 496,486 | 242,398 | 738,884 | | 507,907 | 247,974 | 755,881 |
| Adds funding for financial aid staff | | | | 0 | | 125,000 | | 125,000 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) | | | | 0 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 |
| Adds funding for tribal college grants to provide a total of $2 million | | | | 0 | | 1,000,000 | | 1,000,000 |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | | | 0 | | 12,000,000 | | 12,000,000 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 | | 4,500,000 | | 4,500,000 |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) |
| Adds funding to limit tuition increases | | | | 0 | | 939,310 | | 939,310 |
| Total ongoing funding changes | 4.00 | $5,000,138 | ($451,600) | $4,548,538 | 4.00 | $20,574,833 | $872,198 | $21,447,031 |
| **One-Time Funding Items** | | | | | | | | |
| Adds funding for the higher education challenge grant program | | | $50,000,000 | $50,000,000 | | $36,000,000 | | $36,000,000 |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 | | | | 0 |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,554,354 | | 1,554,354 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 | | | | 0 |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 |
| Adds funding for support of single parents | | | | 0 | | 4,500,000 | | 4,500,000 |
| Adds funding for passthrough grants | | | | 0 | | 20,100,000 | | 20,100,000 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 | 0.00 | $72,604,354 | $0 | $72,604,354 |
| **Total Changes to Base Level Funding** | 4.00 | $20,645,116 | $59,548,400 | $80,193,516 | 4.00 | $93,179,187 | $872,198 | $94,051,385 |
| **2023-25 Total Funding** | 162.83 | $137,543,592 | $85,305,435 | $222,849,027 | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(1.8%)* | *3.2%* | *2.5%* | *17.6%* | *3.4%* | *15.0%* |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *231.2%* | *56.2%* | *2.5%* | *79.7%* | *3.4%* | *65.9%* |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| MaSU Old Main renovation | | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1. |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including the LRSC wind turbine replacement, DSU agriculture and technical education building, MaSU Old Main renovation, MiSU Dakota Hall demolition, and DCB Old Main renovation, is from SIIF. | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. |
| NDSU workforce education | | Section 7 identifies $4.8 million appropriated from the general fund to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs. |
| Support for single parents | | Section 8 identifies $4.5 million appropriated from the general fund to the University System office is for support for single mothers. |
| Severance agreement transfer | | Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval. |
| Dual-credit tuition scholarships | | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. |
| Career builders | | Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Capital projects requests - Restriction | | Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. |
| Project management oversight | Section 10 would require 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. | Section 16 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. |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. |
| Higher education trends - Report | | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. |
| Academic program approval | | Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days. |
| Disclosure of financial condition | | Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. |
| Campus policies and procedures | | Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance. |
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. | Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. |
| Workforce Development Council | | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. |
| Capital project requests - Matching funds | | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Student financial assistance grants | | Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure. |
| Digitization of Theodore Roosevelt documents | | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. |
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Transfer authority | Section 12 would provide 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 assets. | Section 39 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 assets. |
| FTE positions | Section 13 would authorize 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. | Section 40 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. |
| Capital building fund - Matching funds exemption | | Section 41 provides an exemption to allow LRSC to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects. | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects. |
| Tuition rate increase limitation | | Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year. |
| Dental hygienist credits | | Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. | |

# Department 227 - Bismarck State College
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $36,202,984 | $104,810,627 | $141,013,611 |
| 2023-25 Base Level | 32,084,055 | 70,409,893 | 102,493,948 |
| Increase (Decrease) | $4,118,929 | $34,400,734 | $38,519,663 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

There were no significant audit findings for this institution.

## Major Related Legislation

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 228 - Lake Region State College
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $15,209,842 | $26,926,556 | $42,136,398 |
| 2023-25 Base Level | 14,242,152 | 25,271,428 | 39,513,580 |
| Increase (Decrease) | $967,690 | $1,655,128 | $2,622,818 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

The State Auditor's office reported Lake Region State College did not follow procurement rules for certain large purchases.

## Major Related Legislation

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 229 - Williston State College
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $13,159,117 | $68,850,090 | $82,009,207 |
| 2023-25 Base Level | 11,286,737 | 24,019,535 | 35,306,272 |
| Increase (Decrease) | $1,872,380 | $44,830,555 | $46,702,935 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

The State Auditor's office reported Williston State College:

- Did not properly reconcile between the general ledger and bank statements;
- Did not follow scholarship awarding and approval requirements; and
- Did not follow procurement rules for certain large purchases.

## Major Related Legislation

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 230 - University of North Dakota
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $223,729,352 | $974,271,737 | $1,198,001,089 |
| 2023-25 Base Level | 150,927,125 | 755,657,771 | 906,584,896 |
| Increase (Decrease) | $72,802,227 | $218,613,966 | $291,416,193 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**UND School of Medicine and Health Sciences funding** - Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

The State Auditor's office reported UND:

- Did not conduct annual department inventories for fixed assets in three out of eight departments in fiscal years 2019 and 2020;
- Did not have the required information in a centrally located personnel file for 5 out of 31 faculty tested during the audit; and
- Did not properly follow the construction management at-risk selection process.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2032** - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 232 - University of North Dakota School of Medicine and Health Sciences
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $80,136,671 | $166,588,967 | $246,725,638 |
| 2023-25 Base Level | 68,122,959 | 160,806,249 | 228,929,208 |
| Increase (Decrease) | $12,013,712 | $5,782,718 | $17,796,430 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to North Dakota State University (NDSU) for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**UND School of Medicine and Health Sciences funding** - Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education**.**

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

There were no significant audit findings for this institution.

## Major Related Legislation

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 235 - North Dakota State University
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $164,390,948 | $755,918,135 | $920,309,083 |
| 2023-25 Base Level | 138,431,325 | 625,417,100 | 763,848,425 |
| Increase (Decrease) | $25,959,623 | $130,501,035 | $156,460,658 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**NDSU workforce education** - Section 7 identifies $4.8 million appropriated from the general fund to NDSU for creating or expanding programs and enrollment initiatives to address workforce needs.

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

There were no significant audit findings for this institution.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2032** - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 238 - North Dakota State College of Science
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $38,313,650 | $83,058,003 | $121,371,653 |
| 2023-25 Base Level | 35,714,792 | 60,845,052 | 96,559,844 |
| Increase (Decrease) | $2,598,858 | $22,212,951 | $24,811,809 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

There were no significant audit findings for this institution.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 239 - Dickinson State University
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $23,903,807 | $50,414,027 | $74,317,834 |
| 2023-25 Base Level | 20,242,730 | 30,992,408 | 51,235,138 |
| Increase (Decrease) | $3,661,077 | $19,421,619 | $23,082,696 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Digitization of Theodore Roosevelt documents** - Section 36 removes the requirement for Dickinson State University (DSU) to establish an endowment for the digitization of documents relating to Theodore Roosevelt.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

The State Auditor's office reported DSU did not comply with the state law in the bidding process for seven purchases totaling $334,705.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2032** - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 240 - Mayville State University
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $21,802,602 | $84,015,644 | $105,818,246 |
| 2023-25 Base Level | 18,679,828 | 32,282,440 | 50,962,268 |
| Increase (Decrease) | $3,122,774 | $51,733,204 | $54,855,978 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Mayville State University** - Section 4 appropriates $49,970,100 from the strategic investment and improvements fund (SIIF) for the renovation of Old Main at Mayville State University (MaSU).

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from SIIF.

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

The State Auditor's office reported MaSU:

- Did not have adequate payroll training or internal controls for payroll;
- Improperly prepared and approved bank reconciliations;
- Did not reconcile student finance, payroll, and the general ledger to a $0 difference each month;
- Did not maintain proper documentation for journal entries;
- Did not ensure proper signatures for purchase cardholders are documented and approvals are maintained; and
- Had inadequate procedures to ensure that tuition waiver requirements are met, and proper documentation is maintained.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2032** - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 241 - Minot State University
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $47,396,793 | $79,552,328 | $126,949,121 |
| 2023-25 Base Level | 41,206,630 | 64,047,767 | 105,254,397 |
| Increase (Decrease) | $6,190,163 | $15,504,561 | $21,694,724 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

There were no significant audit findings for this institution.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2032** - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 242 - Valley City State University
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $27,587,300 | $63,314,690 | $90,901,990 |
| 2023-25 Base Level | 24,161,377 | 26,377,846 | 50,539,223 |
| Increase (Decrease) | $3,425,923 | $36,936,844 | $40,362,767 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

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**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

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**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

**Higher education funding formula** - Section 31 provides for all career and technical education credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. Section 45 provides legislative intent that dental hygienist program courses be transferred to the career and technical education instructional program classification factor in the higher education funding formula.

**Student financial assistance grants** - Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Significant Audit Findings

The State Auditor's office reported Valley City State University did not follow procurement rules for certain large purchases.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
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| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

**Senate Bill No. 2032** - Appropriates $3 million from the general fund to the Department of Public Instruction to provide grants to accredited institutions of higher education to assist paraprofessionals to become qualified teachers.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Department 243 - Dakota College at Bottineau
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $11,191,375 | $20,055,822 | $31,247,197 |
| 2023-25 Base Level | 9,537,862 | 14,216,200 | 23,754,062 |
| Increase (Decrease) | $1,653,513 | $5,839,622 | $7,493,135 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

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**Dual-credit tuition scholarships** - Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships.

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**FTE positions** - Section 40 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.

**Tuition rate increase limitation** - Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year.

## Deficiency Appropriations

**College ready English and math** - Senate Bill No. 2025 includes a deficiency appropriation of $99,768 from the general fund to Dakota College at Bottineau (DCB) for expenses related to the college ready English and math program. The Dakota College at Bottineau was to have been reimbursed for these expenses by the Department of Public Instruction (DPI) during the 2019-21 biennium.

## Significant Audit Findings

The State Auditor's office reported DCB:

- Did not keep documentation to verify a student was eligible for a veteran dependent tuition waiver; and
- Did not maintain records to verify adequate bids were received for the purchase of a $211,100 fuel oil boiler.

## Major Related Legislation

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

| Institution | 2021-23 Distribution | 2023-25 Distribution | Increase (Decrease) |
|---|---|---|---|
| North Dakota State University | $6,620,000 | $7,648,000 | $1,028,000 |
| University of North Dakota | 5,084,000 | 5,986,000 | 902,000 |
| North Dakota State College of Science | 1,941,000 | 2,259,700 | 318,700 |
| Valley City State University | 1,178,000 | 1,354,000 | 176,000 |
| Mayville State University | 742,000 | 894,000 | 152,000 |
| Dakota College at Bottineau | 285,000 | 343,700 | 58,700 |
| Dickinson State University | 285,000 | 343,700 | 58,700 |
| Minot State University | 285,000 | 343,700 | 58,700 |
| Total | $16,420,000 | $19,172,800 | $2,752,800 |

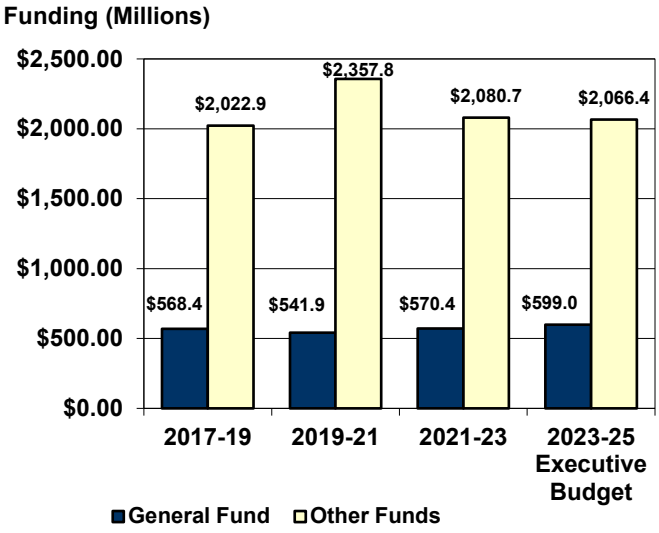
**House Bill No. 1241** - Provides for a workforce education innovation program to provide funds to University System institutions to create or enhance educational programs that address workforce needs in the state.

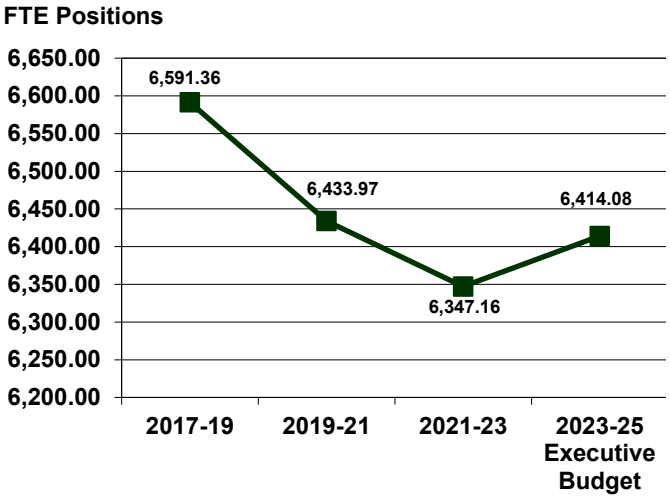
**Senate Bill No. 2025** - Provides a deficiency appropriation to DCB for reimbursement from DPI related to the college ready English and math program.

**Senate Bill No. 2288** - Appropriates $250,000 from the general fund for nursing program matching grants.

# Historical Appropriations Information

## University System Institutions Appropriations and FTE Positions




## Ongoing General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| Ongoing general fund appropriations | $566,966,411 | $507,176,197 | $541,664,044 | $564,637,572 | $599,014,881 |
| Increase (decrease) from previous biennium | N/A | ($59,790,214) | $34,487,847 | $22,973,528 | $34,377,309 |
| Percentage increase (decrease) from previous biennium | N/A | (10.5%) | 6.8% | 4.2% | 6.1% |
| Cumulative percentage increase (decrease) from 2015-17 biennium | N/A | (10.5%) | (4.5%) | (0.4%) | 5.7% |

## Major Increases (Decreases) in Ongoing General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Reduced funding for institution operations | ($76,770,014) |
| 2. Adjusted funding for changes in completed student credits | $11,889,020 |
| 3. Added funding for changes in health insurance premiums | $5,297,632 |

**2019-21 Biennium**

| | |
|---|---|
| 1. Adjusted funding for changes in completed student credits | $5,883,536 |
| 2. Increased funding for compensation and health insurance increases | $20,592,798 |
| 3. Increased funding for the UND School of Law | $2,793,382 |
| 4. Increased funding for residency positions at the UND School of Medicine and Health Sciences | $4,507,252 |

**2021-23 Biennium**

| | |
|---|---|
| 1. Adjusted funding for changes in completed student credits | ($1,165,637) |
| 2. Adjusted funding for higher education funding formula adjustments | $15,320,830 |
| 3. Increased funding for compensation and health insurance increases | $8,943,335 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Adjusts funding for changes in completed student credits | ($9,265,083) |
| 2. Adds funding for 96 percent minimum amount payable allocations to certain institutions | $5,215,694 |
| 3. Increases funding for compensation and health insurance increases | $35,635,615 |

## One-Time General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| One-time general fund appropriations | $124,505,656 | $61,226,476 | $200,000 | $5,725,000 | $0 |

## Major One-Time General Fund Appropriations

**2017-19 Biennium**

1. Allocations for institution operations $4,875,000
2. Bismarck State College Nursing Building project $8,900,000
3. NDSU agriculture products development center project $20,000,000
4. NDSU Dunbar Hall project $8,000,000
5. UND Gamble Hall replacement project $9,000,000

**2019-21 Biennium**

DSU digitization of Theodore Roosevelt documents $200,000

**2021-23 Biennium**

1. UND space command initiative $4,000,000
2. MaSU natural gas boiler project $1,600,000

**2023-25 Biennium (Executive Budget Recommendation)**

None $0

# North Dakota University System Institutions
# House Bill No. 1003
# Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | |
|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 6,347.16 | $564,637,572 | $1,890,343,689 | $2,454,981,261 | 6,347.16 | $564,637,572 | $1,890,343,689 | $2,454,981,261 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | |
| Base payroll adjustments, including cost to continue 2021-23 biennium salary increases | 66.92 | $2,791,083 | $6,792,579 | $9,583,662 | 66.92 | $2,791,083 | $6,792,579 | $9,583,662 |
| Salary increase, including tuition freeze | | 26,387,561 | 58,773,575 | 85,161,136 | | 56,188,818 | 43,734,586 | 99,923,404 |
| Health insurance increase, including tuition freeze | | 9,248,054 | 22,753,804 | 32,001,858 | | 21,802,260 | 23,277,233 | 45,079,493 |
| Student credit-hour completion adjustment | | (9,265,083) | | (9,265,083) | | (9,275,245) | | (9,275,245) |
| Minimum amount payable allocation | | 5,215,694 | | 5,215,694 | | 2,229,750 | | 2,229,750 |
| Formula adjustment | | | | 0 | | 4,807,379 | | 4,807,379 |
| Special funds adjustment | | | 4,500 | 4,500 | | | 4,500 | 4,500 |
| Research networks | | | | 0 | | 6,402,200 | | 6,402,200 |
| Total ongoing funding changes | 66.92 | $34,377,309 | $88,324,458 | $122,701,767 | 66.92 | $84,946,245 | $73,808,898 | $158,755,143 |
| **One-Time Funding Items** | | | | | | | | |
| LRSC wind turbine replacement | | | $600,000 | $600,000 | | | $600,000 | $600,000 |
| BSC multipurpose academic and athletics center | | | | 0 | | | 31,500,000 | 31,500,000 |
| WSC medical health care building | | | | 0 | | | 36,600,000 | 36,600,000 |
| WSC turf project | | | | 0 | | | 7,313,939 | 7,313,939 |
| UND EERC facility | | | 33,000,000 | 33,000,000 | | | 33,000,000 | 33,000,000 |
| UND science, engineering, and national security corridor | | | | 0 | | | 82,000,000 | 82,000,000 |
| UND STEM building | | | | 0 | | | 75,000,000 | 75,000,000 |
| UND national security initiative | | | | 0 | | $45,000,000 | | 45,000,000 |
| NDSU music building | | | 20,000,000 | 20,000,000 | | | 20,000,000 | 20,000,000 |
| NDSU Sudro Hall expansion | | | 3,000,000 | 3,000,000 | | | 3,000,000 | 3,000,000 |
| NDSU center for engineering and computational sciences | | | | 0 | | | 84,000,000 | 84,000,000 |
| NDSU workforce education | | | | 0 | | 4,800,000 | | 4,800,000 |
| NDSCS agriculture, automation, and autonomous systems building | | | | 0 | | | 19,975,000 | 19,975,000 |
| DSU agriculture and technical education building | | | 900,000 | 900,000 | | | 18,000,000 | 18,000,000 |
| MaSU Old Main renovation | | | 3,779,100 | 3,779,100 | | | 49,970,100 | 49,970,100 |
| MiSU Dakota Hall demolition | | | 765,000 | 765,000 | | | 765,000 | 765,000 |
| MiSU academic building | | | | 0 | | | 8,000,000 | 8,000,000 |
| MiSU student center renovation | | | | 0 | | | 3,100,000 | 3,100,000 |
| VCSU Osmon Field House addition | | | 20,000,000 | 20,000,000 | | | 20,000,000 | 20,000,000 |
| VCSU Student Center renovation | | | 2,000,000 | 2,000,000 | | | 2,000,000 | 2,000,000 |
| VCSU McCarthy Hall | | | | 0 | | | 13,500,000 | 13,500,000 |
| DCB Old Main renovation | | | 3,700,000 | 3,700,000 | | | 5,300,000 | 5,300,000 |
| Behavioral health initiative | | | | 0 | | 3,640,624 | | 3,640,624 |
| Total one-time funding changes | 0.00 | $0 | $87,744,100 | $87,744,100 | 0.00 | $53,440,624 | $513,624,039 | $567,064,663 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Total Changes to Base Level Funding** | 66.92 | $34,377,309 | $176,068,558 | $210,445,867 | 66.92 | $138,386,869 | $587,432,937 | $725,819,806 |
| **2023-25 Total Funding** | 6,414.08 | $599,014,881 | $2,066,412,247 | $2,665,427,128 | 6,414.08 | $703,024,441 | $2,477,776,626 | $3,180,801,067 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *1.1%* | *6.1%* | *4.7%* | *5.0%* | *1.1%* | *15.0%* | *3.9%* | *6.5%* |
| *Total changes as a percentage of base level* | *1.1%* | *6.1%* | *9.3%* | *8.6%* | *1.1%* | *24.5%* | *31.1%* | *29.6%* |

# Department 244 - Forest Service
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $5,575,521 | $19,139,209 | $24,714,730 |
| 2023-25 Base Level | 4,792,478 | 10,669,315 | 15,461,793 |
| Increase (Decrease) | $783,043 | $8,469,894 | $9,252,937 |

## First Chamber Changes

A summary of the first chamber's changes to the agency's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Carryover authority** - Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects.

**Transfer authority** - Section 39 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 assets.

**FTE positions** - Section 40 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.

## Continuing Appropriations

There are no continuing appropriations for this agency.

## Deficiency Appropriations

There are no deficiency appropriations for this agency.

## Significant Audit Findings

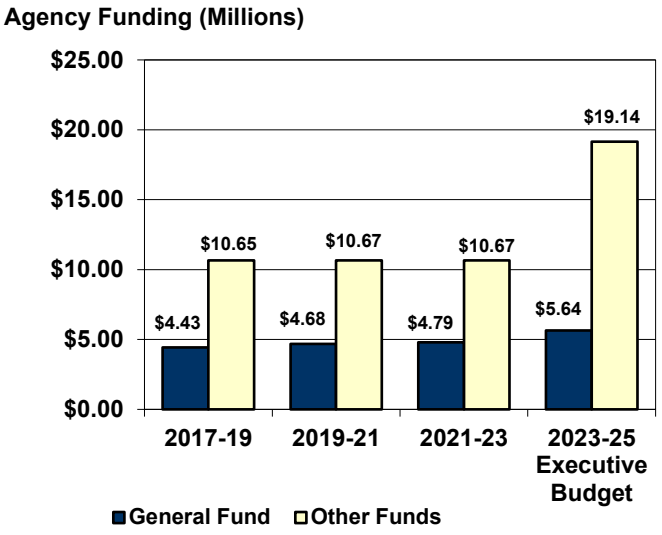
There were no significant audit findings for this agency.

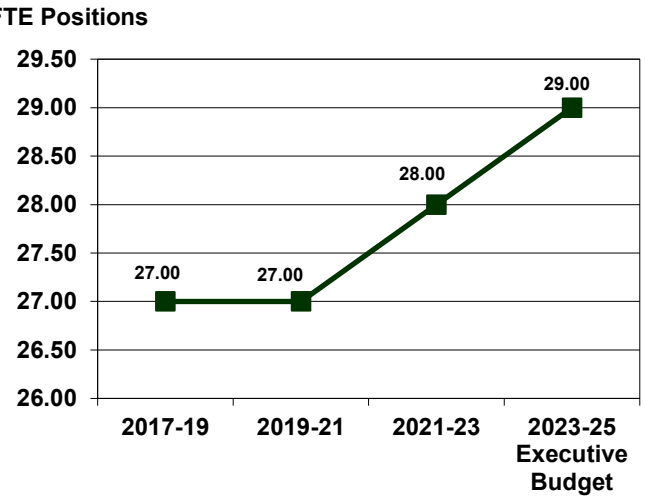
## Major Related Legislation

At this time, no major legislation has been introduced affecting this agency.

# Historical Appropriations Information

## Agency Appropriations and FTE Positions




## Ongoing General Fund Appropriations

| | 2015-17 | 2017-19 | 2019-21 | 2021-23 | 2023-25 Executive Budget |
|---|---|---|---|---|---|
| Ongoing general fund appropriations | $4,679,830 | $4,426,427 | $4,676,664 | $4,792,478 | $5,638,621 |
| Increase (decrease) from previous biennium | N/A | ($253,403) | $250,237 | $115,814 | $846,143 |
| Percentage increase (decrease) from previous biennium | N/A | (5.4%) | 5.7% | 2.5% | 17.7% |
| Cumulative percentage increase (decrease) from 2015-17 biennium | N/A | (5.4%) | (0.1%) | 2.4% | 20.5% |

## Major Increases (Decreases) in Ongoing General Fund Appropriations

**2017-19 Biennium**

| | |
|---|---|
| 1. Reduced funding for salaries and wages, including removal of 1.96 FTE positions | ($258,332) |
| 2. Reduced funding for operating expenses, including travel | ($314,608) |
| 3. Restored funding reduced as part of the August 2016 budget reductions | $328,014 |
| 4. Reduced funding from the general fund by an additional 2.5 percent | ($114,599) |

**2019-21 Biennium**

| | |
|---|---|
| None | $0 |

**2021-23 Biennium**

| | |
|---|---|
| None | $0 |

**2023-25 Biennium (Executive Budget Recommendation)**

| | |
|---|---|
| 1. Adds funding for the cooperative fire protection initiative, including 1 new FTE natural and physical sciences professional position | $187,000 |
| 2. Adds funding for forest recreation enhancement, including maintenance and enhancements of trails, campgrounds, and recreation areas | $200,000 |

## Forest Service - Budget No. 244
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | |
|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 28.00 | $4,792,478 | $10,669,315 | $15,461,793 | 28.00 | $4,792,478 | $10,669,315 | $15,461,793 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | |
| Base payroll changes | | $30,847 | | $30,847 | | $30,847 | | $30,847 |
| Salary increase | | 299,702 | $8,672 | 308,374 | | 233,644 | $6,491 | 240,135 |
| Health insurance increase | | 128,594 | 5,144 | 133,738 | | 131,552 | 5,262 | 136,814 |
| Adds special funds authority for the Towner state nursery | | | 200,000 | 200,000 | | | 200,000 | 200,000 |
| Adds funding for the cooperative fire protection initiative, including 1 FTE natural and physical sciences professional position | 1.00 | 187,000 | | 187,000 | 1.00 | 187,000 | | 187,000 |
| Adds funding for forest recreation enhancement, including maintenance and enhancements of trails, campgrounds, and recreation areas | | 200,000 | | 200,000 | | 200,000 | | 200,000 |
| Adds funding from grants to enhance services | | | 8,258,141 | 8,258,141 | | | 8,258,141 | 8,258,141 |
| Total ongoing funding changes | 1.00 | $846,143 | $8,471,957 | $9,318,100 | 1.00 | $783,043 | $8,469,894 | $9,252,937 |
| **One-Time Funding Items** | | | | | | | | |
| No one-time funding items | | | | $0 | | | | $0 |
| Total one-time funding changes | 0.00 | $0 | $0 | $0 | 0.00 | $0 | $0 | $0 |
| **Total Changes to Base Level Funding** | 1.00 | $846,143 | $8,471,957 | $9,318,100 | 1.00 | $783,043 | $8,469,894 | $9,252,937 |
| **2023-25 Total Funding** | 29.00 | $5,638,621 | $19,141,272 | $24,779,893 | 29.00 | $5,575,521 | $19,139,209 | $24,714,730 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *3.6%* | *17.7%* | *79.4%* | *60.3%* | *3.6%* | *16.3%* | *79.4%* | *59.8%* |
| *Total changes as a percentage of base level* | *3.6%* | *17.7%* | *79.4%* | *60.3%* | *3.6%* | *16.3%* | *79.4%* | *59.8%* |

NDSU *North Dakota Forest Service*

**ENGROSSED HB 1003**

**SENATE APPROPRIATIONS**
**EDUCATION AND ENVIRONMENT COMMITTEE**

**Senator Ronald Sorvaag, Chair**

**Forestry Supports the Health, Safety and Economy of North Dakota**

# 2023-2025 Biennial Budget Request

**TOM CLAEYS, STATE FORESTER**
**March 7, 2023**

# STATUTORY RESPONSIBILITIES

- 4.1-21 State Forester
- 18-02-07 Cooperation of state forester and other agencies - Fire and forest protection
- 18-14 Interstate compact for the prevention and control of wildland fires
- 57-57 Forest Stewardship

# ORGANIZATIONAL STRUCTURE

# SUMMARY OF AGENCY SERVICES

Community Forestry

Fire Management

Forest Health

# SUMMARY OF AGENCY SERVICES

Forest Stewardship

Outreach and Education

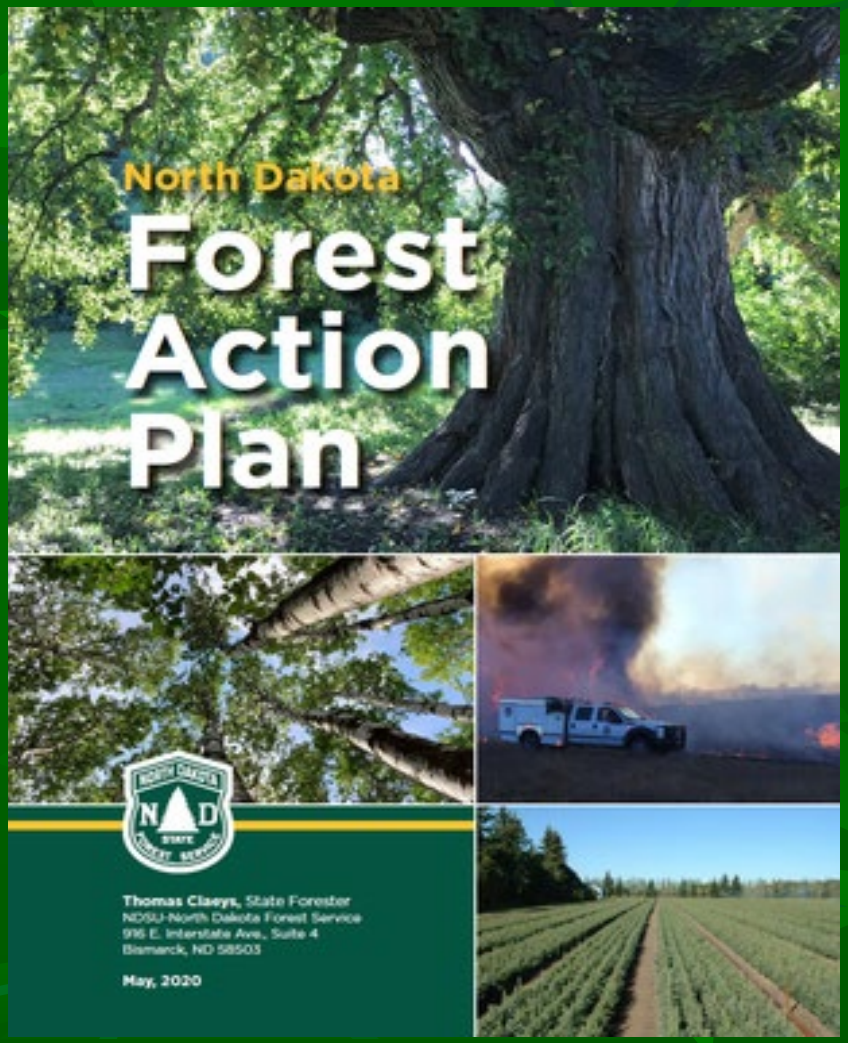
State Forests

Towner State Nursery

# AGENCY PERFORMANCE MEASURES

2020 Forest Action Plan

Accountability Measures

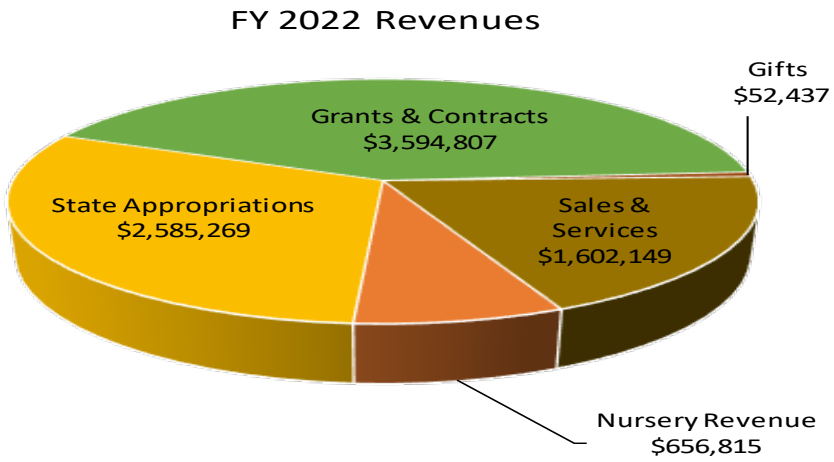


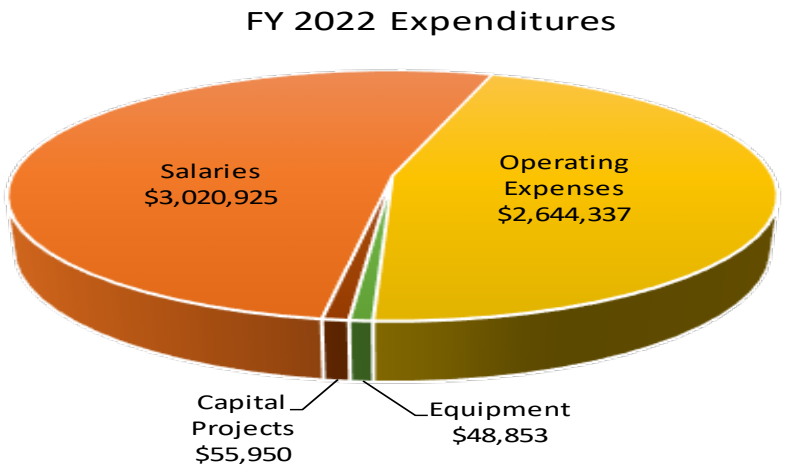
# 2021-2023 REVENUES & EXPENSES

**NORTH DAKOTA FOREST SERVICE**
**FY 2022 REVENUES AND EXPENSES**

| **Revenues** | | |
|---|---|---|
| Nursery Revenue | $ 656,815 | 8% |
| State Appropriations | $ 2,585,269 | 30% |
| Grants & Contracts | $ 3,594,807 | 42% |
| Gifts | $ 52,437 | 1% |
| Sales & Services | $ 1,602,149 | 19% |
| Grand Total | $ 8,491,477 | |

| **Expenses** | | |
|---|---|---|
| Salaries | $ 3,020,925 | 52% |
| Operating Expenses | $ 2,644,337 | 46% |
| Equipment | $ 48,853 | 1% |
| Capital Projects | $ 55,950 | 1% |
| Grand Total | $ 5,770,065 | |



# 2023-2025 BIENNIAL BUDGET REQUEST

## OPERATIONS

- ✓ **Salary and Health Insurance**
- ✓ **Special Funds**
- ✓ **Optional Requests**

## CAPITAL ASSETS

- ✓ **Equipment Over $5,000**
- ✓ **Extraordinary Repairs**

## CAPITAL PROJECT REQUEST

# 2023-2025 FUNDING REQUEST

## North Dakota Forest Service

**Comparison of SBHE General Fund Budget Request to Executive Recommendation and Engrossed HB1003**

| | SBHE 2023-25 GF Budget Request | Executive Recommendation | House Recommendation | House Budget Over (Under) Budget Request |
|---|---|---|---|---|
| **General Fund Appropriation** | | | | |
| Operations | $ 4,673,750 | $ 4,673,750 | $ 4,673,750 | $ - |
| Cost to Continue Salaries | $ 30,847 | $ 30,847 | $ 30,847 | $ - |
| Capital Assets | $ 118,728 | $ 118,728 | $ 118,728 | $ - |
| Salary Increases | $ 299,702 | $ 311,995 | $ 233,644 | $ (66,058) |
| Health Insurance Increases | $ 128,594 | $ 128,594 | $ 131,552 | $ 2,958 |
| Forest Recreation Enhancement Initiative | $ 200,000 | $ 200,000 | $ 200,000 | $ - |
| Cooperative Fire Protection Initiative | $ 187,000 | $ 187,000 | $ 187,000 | $ - |
| **Total General Fund Appropriation** | **$ 5,638,621** | **$ 5,650,914** | **$ 5,575,521** | **$ (63,100)** |
| **Special Fund Appropriation** | | | | |
| Operations | $ 10,669,315 | $ 10,669,315 | $ 10,669,315 | $ - |
| Change in Estimated Income | $ 8,258,141 | $ 8,258,141 | $ 8,258,141 | $ - |
| Salary Increases | $ 8,672 | $ 8,672 | $ 6,491 | $ (2,181) |
| Health Insurance Increases | $ 5,144 | $ 5,144 | $ 5,262 | $ 118 |
| Towner Nursery Special Fund Increase | $ 200,000 | $ 200,000 | $ 200,000 | $ - |
| **Total Special Fund Appropriation** | **$ 19,141,272** | **$ 19,141,272** | **$ 19,139,209** | **$ (2,063)** |
| General Fund | $ 5,638,621 | $ 5,650,914 | $ 5,575,521 | $ (63,100) |
| Special Funds | $ 19,141,272 | $ 19,141,272 | $ 19,139,209 | $ (2,063) |
| **Total Funding Sources** | **$ 24,779,893** | **$ 24,792,186** | **$ 24,714,730** | **$ (65,163)** |
| **Total FTE** | **29** | **29** | **29** | **-** |

# ADDITIONAL INFORMATION

BILLS CONSIDERED BY THE LEGISLATIVE ASSEMBLY

FINANCIAL AUDIT FINDINGS

FEDERAL STATE FISCAL RECOVERY FUNDING

FEDERAL FUNDING

# Optional Request

Forest Recreation Enhancement

- 207% increase in trail usage
- 197% increase in campground usage

# Optional Request

Cooperative Fire Protection Initiative

2021 was unprecedented

- ✓ 2,199 cumulative fires
- ✓ 122,300 acres burned
- ✓ 3 incidents with injury
- ✓ 6 total injuries
- ✓ 49 damaged structures

NDSU *North Dakota Forest Service*

**ENGROSSED HB 1003**

**SENATE APPROPRIATIONS**
**EDUCATION AND ENVIRONMENT COMMITTEE**

**Senator Ronald Sorvaag, Chair**

## Forestry Supports the Health, Safety and Economy of North Dakota

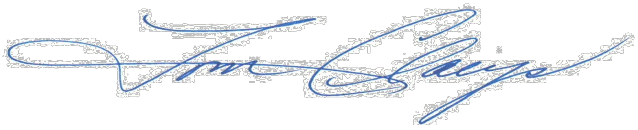
# 2023-2025 Biennial Budget Request

TOM CLAEYS, STATE FORESTER
March 7, 2023

## A Message from the State Forester

The NDSU-North Dakota Forest Service is organized under the North Dakota Board of Higher Education. The agency is administered by a state forester who reports to the president of North Dakota State University and supports the land grant mission in public service. The mission of the North Dakota Forest Service is to *"**care for, protect and improve forest resources to enhance the quality of life for future generations**."*

This 2023-2025 Biennial Budget Request summary provides the information requested to determine funding levels for forestry programs benefiting communities, rural landowners, soil conservation districts, rural fire districts, schools and citizens of North Dakota. Please feel free to contact us at any time for additional information.



Tom Claeys, State Forester

**CONTACT**

**Tom Claeys, State Forester**
**NORTH DAKOTA FOREST SERVICE**
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Thomas.Claeys@ndsu.edu
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**CONTACT**

**Dr. David Cook, President**
**NORTH DAKOTA STATE UNIVERSITY**
Department 1000
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Fargo ND 58108-6050
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# STATUTORY RESPONSIBILITIES

The State Forester's goals are aligned with the authority granted under North Dakota Century Code 4.1-21, 18-02, 18-14, and 57-57 to meet the forestry needs of the state.

### 4.1-21 State Forester

- Supervise the raising and distribution of seeds and forest tree planting stock.
- Promote practical forestry and compile and disseminate information relative to practical forestry to landowners, community groups, schools, and other organizations.
- Encourage the development, use, and wise stewardship of forest resources.
- Provide assistance to landowners, producers, and public bodies relating to forestry, reforestation, protection of forest resources, prevention and suppression of fires, planting of trees and shrubs, and the growing, harvesting, marketing, and management of forest resources.
- A state nursery, under the direction of the state forester, must be maintained at Towner. The nursery shall propagate seeds and forest tree planting stock adapted to the climatic conditions of this state.

### 18-02-07 Cooperation of state forester and other agencies - Fire and forest protection

### 18-14 Interstate compact for the prevention and control of wildland fires

### 57-57 Forest Stewardship

### State Forester's Goals

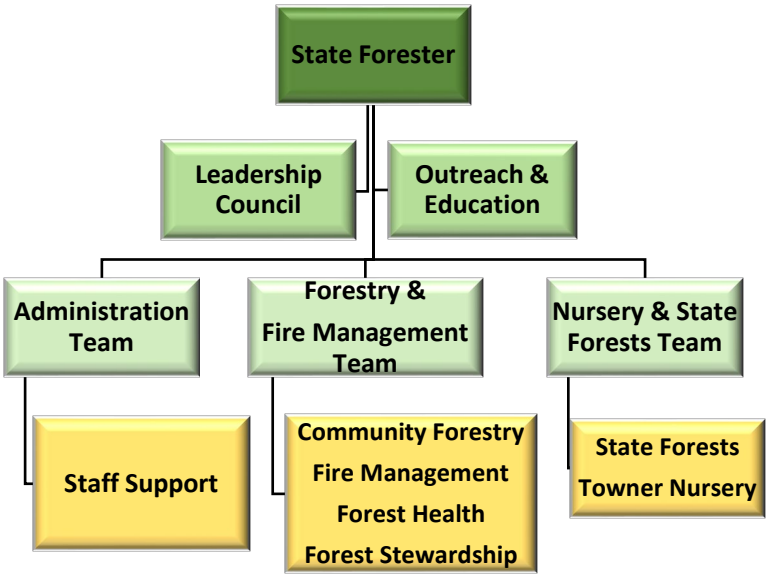
- To positively impact forest-based economic growth and sustainability of communities by promoting the wise use of natural resources.
- To improve the protection of people, property and natural resources by enhancing interagency cooperation in wildfire management.
- To support informed decision-making and foster individual responsibility in stewards of all ages by raising public awareness about natural resource values.
- To meet the forest and conservation tree planting needs of private and public landowners by producing and marketing high quality nursery stock.
- To meet current societal demands by ensuring the health, productivity and growth of private, community and state forests.

# ORGANIZATIONAL STRUCTURE

The North Dakota Forest Service organizational structure focuses on increasing program efficiencies, strengthening customer service, promoting teamwork, and encouraging collaboration to address emerging natural resource issues.

The organizational structure is composed of three leadership teams:

(a) Administration
(b) Forestry and Fire
(c) Nursery and State Forests




A Leadership Council provides leadership, coordination, accountability and direction for the agency.

The team structure ensures a coordinated focus toward the delivery of services and collaboration across the organization. Teams deal with customer service improvements, communications, program efficiencies and joint partnership initiatives. Teams are also responsible for focusing leadership and resources on priorities identified within the 2020 North Dakota Forest Action Plan.

# SUMMARY OF AGENCY SERVICES

A wide variety of customers depend on the North Dakota Forest Service for technical, financial and educational forestry assistance. The state forester administers forestry programs serving communities, rural landowners, soil conservation districts, rural fire districts, schools and citizens of North Dakota. All the programs utilize a voluntary, educational and incentives-based approach to address natural resource needs and customer demands.

The agency operates a nursery at Towner specializing in the production of conservation tree seedlings. The agency also owns and manages approximately 13,945 acres of state forest lands.

**Community Forestry** focuses on conservation activities in city parks, tree-lined streets or other green spaces within the community. Most of North Dakota's residents live in 372 cities and towns. The Community Forestry Program administers financial assistance programs for tree planting and forestry development projects each year. The agency provides technical assistance for tree planting plans, management plans, shade tree ordinances, pest surveys and tree workshops.

**Fire Management** ensures the protection of lives, property and natural resources by training and equipping North Dakota's rural volunteer fire departments. A Cooperative Fire Protection Assistance Grant Program provides departments assistance in training, purchasing or repairing equipment and vehicles. A companion program loans surplus federal equipment to departments for enhancing firefighting capabilities. The agency provides essential firefighting resources to other states during catastrophic wildfire events.

**Forest Health** ensures the productivity and growth of North Dakota's private, community and state forests. Each year, the agency conducts surveys to assess forest health conditions and trains public and private land managers on insect and disease management such as emerald ash borer, a threat to North Dakota's 95 million ash trees.

**Forest Stewardship** focuses on improving the management of forest resources by educating and assisting private landowners on how to better manage, protect and utilize their native and planted forest resources. This is accomplished through creation of a Forest Stewardship Plan and financial assistance for forest improvement practices. Outdoor Heritage Fund Windbreak Renovation Initiative has provided financial assistance for 323 projects that restore declining field and farmstead windbreaks.

**Outreach and Education** offers youth and adults the knowledge and skills they need to make wise decisions about the conservation and wise use of North Dakota's forest resources. The North Dakota Forest Service sponsors "Project Learning Tree" workshops for teachers and youth leaders working with students in grades K-12. The program also handles the daily requests for forestry information and the development of educational materials.

**State Forests** provide wildlife habitat, clean air and water, recreational opportunities, forest products, scenic beauty and other conservation benefits. The North Dakota Forest Service owns five state forests comprising approximately 13,945 acres. State forests play an important role in the economic well-being of several rural communities by attracting hunters, hikers, campers, skiers, snowmobilers, tourists and other outdoor enthusiasts.

**Towner State Nursery** annually produces conservation tree seedlings to meet the demand for conservation tree planting needs of the state. The trees are used for farmstead, living snow fence, field windbreaks, wildlife, forestry and other conservation plantings. Since 1951, the Towner State Nursery has produced, marketed, and sold over 78 million conservation seedlings. Staff conduct tree improvement evaluations to develop resilient nursery stock adapted to the state's challenging environment.

# AGENCY PERFORMANCE MEASURES

## 2020 Forest Action Plan

The Forest Service 2023-2025 budget will conserve, protect and enhance priority forest landscapes identified in the 2020 North Dakota Forest Action Plan. The plan ensures the care and protection of native forests, conservation tree plantings and community forests by sustaining the agency's emphasis on providing financial, technical and educational assistance to communities, rural landowners, rural fire districts, soil conservation districts, schools and citizens of North Dakota. The plan provides a comprehensive analysis of forest-related conditions, trends, threats and forestry opportunities. Plan development was driven by input and collaboration from stakeholders, partners, and customers to identify needs and priorities.

## Accountability Measures

The North Dakota Forest Service utilizes an accountability measures process to assess progress toward achieving long-range strategic goals and ultimately the agency's mission. The North Dakota Forest Service developed accountability measures using the State Forester's goals and statutory authority.

1. Produced and sold 789,913 conservation seedlings for conservation tree planting purposes.
2. Maintained 42 miles of trails and 5 recreational areas serving 7,749 trail users and 1,725 campers.
3. Certified 53 Tree City USA and 4 Tree Campus USA communities.
4. Supported forestry-based economic benefits by providing financial assistance to implement forestry practices and funded 61 grant projects, provided $326,286 in grant awards with $736,275 total value of project investments.
5. Assisted 92 communities to develop sustainable community forestry programs with 79% percent of the state population served. Over 129 community forestry plans were developed from professionally-based resource assessments and inventories; 194 communities currently maintain local ordinances or policies that focus on planting, protecting and maintaining their community trees; and there are 154 active tree boards, commissions, or non-profit organizations that are formalized or chartered to advise/advocate for the planting, protection and maintenance of community trees and forests. Provided training and education outreach to 24,080 participants at workshops, meetings, and Arbor Day events.
6. Monitored the health and sustainability of North Dakota's forest resources by surveying 5,100 acres of forest resources for damaging agents.
7. Provided technical assistance on forest health issues, insects, and diseases on federal, state, and private lands. Provided 250 landowners/homeowners and 2 agencies with technical assistance. Trained 198 landowners, land managers, and conservations partners.
8. Provided assistance to 260 landowners to help them actively manage their land and related resources.
9. Provided information to keep land in a productive and healthy condition by educating 189 landowners and 366 conservation partners.
10. Helped landowners manage their forestlands to keep them healthy and productive by developing 183 forest stewardship plans. The plans included 9,404 acres with 23 residences, 404 acres of cropland, 7,935 feet of roadway, and 3,025 feet of riverbank or shoreline protected.
11. Enhanced community wildfire protection by training 1,128 firefighters, assisted 162 fire departments, responded to 72 mutual aid requests, provided 21 days of suppression assistance through the Great Plains Compact, and filled 26 national dispatch resource orders to California, Idaho, Montana, New Mexico and Wyoming.
12. Increased Rural Fire Capacity of 203 fire departments. Enhanced community wildfire protection at the local level by providing financial assistance to rural fire departments with 41 grant projects funded, $360,735 Cooperative Fire Protection Assistance grant awards provided and $821,989.49 in total value of project investments.
13. Provided natural resource education opportunities to 216 teachers, 3,571 students and 360 other customers.

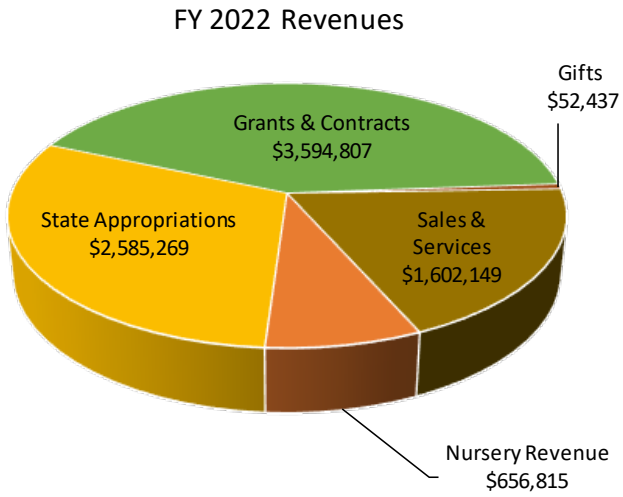
# 2021-2023 REVENUES AND EXPENSES

## Funding Sources

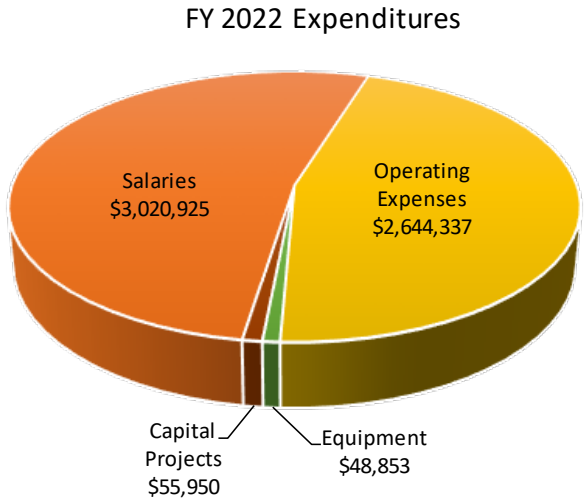
Appropriated funding for North Dakota's forestry programs is derived from two sources: the state general fund and income, including the sale of nursery products and contributions from the Trees for North Dakota Trust Fund. The 2021-2023 original appropriated budget for the Forest Service was $15,461,793 including $4,792,478 in general funds and $10,669,315 in special funds. Special funds include $1,900,000 in estimated income from tree seedling sales and the Trees for North Dakota Trust Fund. General fund authority was increased to $5,170,537 with $378,059 in carryover.

**NORTH DAKOTA FOREST SERVICE**
**FY 2022 REVENUES AND EXPENSES**

| **Revenues** | | |
|---|---|---|
| Nursery Revenue | $ 656,815 | 8% |
| State Appropriations | $2,585,269 | 30% |
| Grants & Contracts | $3,594,807 | 42% |
| Gifts | $ 52,437 | 1% |
| Sales & Services | $1,602,149 | 19% |
| Grand Total | $8,491,477 | |




| **Expenses** | | |
|---|---|---|
| Salaries | $3,020,925 | 52% |
| Operating Expenses | $2,644,337 | 46% |
| Equipment | $ 48,853 | 1% |
| Capital Projects | $ 55,950 | 1% |
| Grand Total | $5,770,065 | |



# 2023-2025 BIENNIAL BUDGET REQUEST

The 2023-2025 funding request for the North Dakota Forest Service is $24,779,893. The General Fund request is $5,638,621. Other funds are $19,141,272.

## OPERATIONS

The Operations request supports salaries, fringe and operating expenses for 27.0 General Fund FTE, 1.0 Special Fund FTE and 45 seasonal positions that provide essential forestry services. This investment leverages over $17 million in external grants and contracts for voluntary and incentives-based forestry programs to address natural resource issues and customer needs identified in the Forest Action Plan.

Operations fund public forestry services provided by the North Dakota Forest Service through field offices at Bismarck, Bottineau, Carrington, Fargo, Lisbon, Towner and Walhalla. Expenditures include costs associated with servicing field forestry requests statewide from rural landowners, communities, schools and citizens. Operations fund emergency wildland fire fighters who protect lives, property and natural resources threatened by an average of 440 human caused wildfires that burn over 29,000 acres each year. Operations fund training, organizing and equipping rural fire districts, as well as support for a Forest Service strike team of four Type 6 and one Type 3 wildland engines. Operations fund tree production at Towner State Nursery.

Towner State Nursery provides tree seedlings for conservation and forestry plantings in every county of North Dakota. The estimated revenue from generated from trees sales at Towner State Nursery is $1,400,000. Other estimated revenue includes $900,000 for Trees for North Dakota grants. The Trees for North Dakota Trust Fund provides tree planting grants and supports promotional, educational and fund raising projects associated with strengthening the tradition of tree planting and management in North Dakota.

- General Funds .....$5,638,621
- Special Funds .....$19,141,272
- **Total Operations** .....$24,779,893

### Salary and Health Insurance

The Forest Service 2023-2025 budget includes the Executive Recommendation for average salary increases of 6%/4% for the biennium.

- Salary Increase - General Fund .....$299,702
- Salary Increase - Special Funds .....$8,672
- Health Insurance Increase - General Fund..... $128,594
- Health Insurance Increase - Special Funds ..... $5,144

### Special Funds

- Towner Nursery - Special Fund Increase.....$200,000

### Optional Requests

- Forest Recreation Enhancement Initiative .....$200,000
- Cooperative Fire Protection Initiative.....$187,000

## CAPITAL ASSETS

The 2023-2025 capital assets budget provides necessary repairs for office, shop, storage and recreational buildings at Bottineau, Lisbon, Towner and Walhalla. Recreational improvements are also located on the State Forests. The budget includes extraordinary repairs and equipment over $5,000. The total 2023-2025 base budget general fund request for Capital Assets is $118,728. Capital assets consist of 41 office, shop and storage buildings. The buildings are valued at $4,586,684. Building ages vary from 2 years to 87 years.

- Capital Assets .....$118,728

### Equipment Over $5,000

The 2023-2025 base funding request for equipment over $5,000 is $56,248, an amount equal to the 2017-19, 2019-21 and 2021-2023 base funding. Equipment would include a forklift and UTV at Towner State Nursery.

- Equipment over $5,000 .....$56,248

### Extraordinary Repairs

Extraordinary repairs include $62,480 for exterior updates at the Bottineau Field Office. Total 2017-2019, 2019-2021 and 2021-2023 extraordinary repairs budget was $62,480.

- Extraordinary Repairs .....$62,480

## CAPITAL PROJECT REQUEST - None

The Forest Service is not requesting a capital project within the 2023-2025 budget.

# 2023-2025 Funding Request – ENGROSSED HB 1003

## North Dakota Forest Service

### Comparison of SBHE General Fund Budget Request to Executive Recommendation and Engrossed HB1003

| | SBHE 2023-25 GF Budget Request | Executive Recommendation | House Recommendation | House Budget Over (Under) Budget Request |
|---|---|---|---|---|
| **General Fund Appropriation** | | | | |
| Operations | $ 4,673,750 | $ 4,673,750 | $ 4,673,750 | $ - |
| Cost to Continue Salaries | $ 30,847 | $ 30,847 | $ 30,847 | $ - |
| Capital Assets | $ 118,728 | $ 118,728 | $ 118,728 | $ - |
| Salary Increases | $ 299,702 | $ 311,995 | $ 233,644 | $ (66,058) |
| Health Insurance Increases | $ 128,594 | $ 128,594 | $ 131,552 | $ 2,958 |
| Forest Recreation Enhancement Initiative | $ 200,000 | $ 200,000 | $ 200,000 | $ - |
| Cooperative Fire Protection Initiative | $ 187,000 | $ 187,000 | $ 187,000 | $ - |
| **Total General Fund Appropriation** | **$ 5,638,621** | **$ 5,650,914** | **$ 5,575,521** | **$ (63,100)** |
| **Special Fund Appropriation** | | | | |
| Operations | $ 10,669,315 | $ 10,669,315 | $ 10,669,315 | $ - |
| Change in Estimated Income | $ 8,258,141 | $ 8,258,141 | $ 8,258,141 | $ - |
| Salary Increases | $ 8,672 | $ 8,672 | $ 6,491 | $ (2,181) |
| Health Insurance Increases | $ 5,144 | $ 5,144 | $ 5,262 | $ 118 |
| Towner Nursery Special Fund Increase | $ 200,000 | $ 200,000 | $ 200,000 | $ - |
| **Total Special Fund Appropriation** | **$ 19,141,272** | **$ 19,141,272** | **$ 19,139,209** | **$ (2,063)** |
| General Fund | $ 5,638,621 | $ 5,650,914 | $ 5,575,521 | $ (63,100) |
| Special Funds | $ 19,141,272 | $ 19,141,272 | $ 19,139,209 | $ (2,063) |
| **Total Funding Sources** | **$ 24,779,893** | **$ 24,792,186** | **$ 24,714,730** | **$ (65,163)** |
| **Total FTE** | **29** | **29** | **29** | **-** |

## BILLS CONSIDERED BY THE LEGISLATIVE ASSEMBLY

**Budgetary Impact -** None.

## FINANCIAL AUDIT FINDINGS

**Financial Audit findings included in the most recent audit -** The North Dakota Forest Service Audit Report for the biennium ending June 30, 2021, as prepared by the Office of the State Auditor, did not identify any areas of concern.

The June 30, 2022, NDUS financial audit report is being finalized by the SAO and is scheduled to be published in January 2023. Our communications with the SAO indicate there are no findings or recommendations.

## FEDERAL STATE FISCAL RECOVERY FUNDING

**Amount appropriated during the November 2021 special legislative session** - None.

## FEDERAL FUNDING

**Known or potential changes in level of federal funding -** None.

# Optional Request: Forest Recreation Enhancement

| | |
|---|---|
| **General Funds** | **$200,000** |

The Forest Recreation Enhancement Initiative will support the agency's delivery of services to meet increasing outdoor recreation demands across the spectrum of State Forest users. The NDSU-North Dakota Forest Service manages five state forests encompassing 13,945 acres. State Forests are located in the Turtle Mountain, Pembina Gorge and Sheyenne River Valley regions of the state. The goal of the State Forests Program is to *practice sound land stewardship to enhance the forest, grassland and wetland ecosystems found on the State Forests.*

The State Forests are comprised of woody plant communities interspersed with open grassland, wetlands and small lakes. The varied plant communities provide excellent habitat for wildlife and numerous opportunities for outdoor recreation; playing an important role in the economic well-being of rural communities by attracting sportspersons, hikers, bikers, equestrians, campers, skiers, snowmobilers, birdwatchers and other outdoor enthusiasts. In addition, the state forests provide the general public with the opportunity to collect common berries, harvest firewood, observe native wildlife and plant communities, and examine sustainable forest management practices.

The North Dakota Forest Service supports outdoor recreation experiences by maintaining and improving recreational infrastructure on State Forest lands. The agency manages 4 campgrounds, 2 primitive campsites, 42 miles of trail, 3 public access boat ramps, 2 fishing piers, and 2 scenic overlooks.

The demand and utilization of the State Forests have increased substantially in response to society's renewed engagement with our natural resources. Outdoor recreation is very important to the physical and emotional wellbeing of North Dakotans and since 2020 the State Forests has observed a 207% increase in trail usage and a 197% increase in campground usage.

The North Dakota Forest Service does not receive general funds specifically for operations, including maintaining and operating campgrounds, trails, and day use areas. A small amount of revenue is generated by agricultural leases and camping fees. Both fee schedules are based on fair market rental rates and camping fees of other similar campgrounds. The agency also receives a small dividend payment. The program averages $30,965 in annual income from the State Forests.

To better serve the growing needs of State Forest users, funds from the North Dakota Recreation Enhancement Initiative will be used to support operation, maintenance, and enhancements of agency-managed recreational infrastructure including trails, campgrounds, and recreation areas. Additional general funds for operating would enhance outdoor recreation experience for an increasing number of visitors.

***Trails constructed and maintained by the North Dakota Forest Service are popular among hikers, bikers, equestrians and others.***

# Optional Request: Cooperative Fire Protection Initiative

| | |
|---|---|
| **General Funds** | **$187,000** |
| **FTE** | **1.0** |

The Cooperative Fire Protection Initiative provides critical financial, technical and educational assistance to fire departments for wildfire prevention, suppression and mitigation. In addition to helping ensure that our first responders are prepared, the initiative provides funding to complete wildland fire training and Statewide Interoperable Radio Network (SIRN) training to enhance firefighter and public safety.

In North Dakota, initial attack wildfire suppression authority is provided by fire departments. The North Dakota Forest Service Fire Management Program supports the state's 378 fire departments in providing this essential public safety service by enhancing firefighting safety and capacity. The program provides rural fire departments with cost-share funds for organizing, training, planning, purchasing and repairing fire equipment.

Each year on the average, North Dakota experiences over 440 human caused wildfires that burn in excess of 29,000 acres. Today's wildfires follow cycles, with larger fires frequently coinciding with drier years. For example, in 2006, North Dakota experienced 1,077 wildfires which burned 68,122 acres. When wetter conditions prevailed in 2012, there were 376 fires which burned 31,293 acres. Fire season in North Dakota, as in many other western states, is now considered year-round, with fire starts documented in every month. The year 2021 was unprecedented, with 2,199 cumulative fires, 122,300 acres burned, 3 incidents with injury, 6 total injuries and 49 damaged structures. Despite the conversion of much of North Dakota's indigenous prairie to non-native grasses and crops, much of the state is covered by highly combustible light fuels that dry quickly and burn readily and rapidly. High accumulations of these fuels on the landscape has resulted in intense fires threatening lives and property.

Adding to the natural wildfire threat is increased population, infrastructure and the oil and gas industry which has resulted in an increase in the fire occurrence across the state. The area of wildland urban/industrial interface, zones where human development intermingles with undeveloped land, is growing across the state and placing additional responsibility on smaller rural fire departments that are most often staffed by volunteers. Federal firefighting resources are now increasing and are coincidentally creating more competition for local and state firefighters.

Fire departments across the state need training and financial assistance to address firefighter and public safety as more and more people move into their protection districts. The types of wildfires are growing in both size and intensity, due to increasing fuel loads, drier weather patterns and longer fire seasons.

***The 744 Fire, known as the Medora Fire, burned 2,300 acres on April 1, 2021. The wildfire resulted in the evacuation of the city and numerous historic buildings were threatened. Cooperation from a multitude of rural fire departments, coordination, and wildland firefighting resources from the NDFS, NDNG and state and federal partners resulted in successful suppression of the fire without any loss of structures.***

NDSU does not discriminate in its programs and activities on the basis of age, color, gender expression/identity, genetic information, marital status, national origin, participation in lawful off-campus activity, physical or mental disability, pregnancy, public assistance status, race, religion, sex, sexual orientation, spousal relationship to current employee, or veteran status, as applicable. Direct inquiries to: Vice Provost, Title IX/ADA Coordinator, Old Main 201, NDSU Main Campus, Fargo, ND, 58108, 701-231-7708, ndsu.eoaa@ndsu.edu.

This publication is available in alternative formats by calling (701) 328-9944.

**Terry Nelson**
**Director of Finance**
**School of Medicine & Health Sciences**
**University of North Dakota**

Asked to attend meeting to support Dr. Joshua Wynne's testimony for UND School of Medicine & Health Sciences

NORTH DAKOTA
UNIVERSITY SYSTEM

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# SENATE APPROPRIATIONS
# EDUCATION AND ENVIRONMENT DIVISION
# 2023 ENGROSSED HOUSE BILL 1003

## NDUS SYSTEM OFFICE
## MARCH 7, 2023

David Krebsbach, Vice Chancellor for Administrative Affairs
David.Krebsbach@ndus.edu 701-328-4116

# NDUS Statutory Authority and Mission



**Agency Statutory Authority**

ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-10.

**Agency Mission Statement**

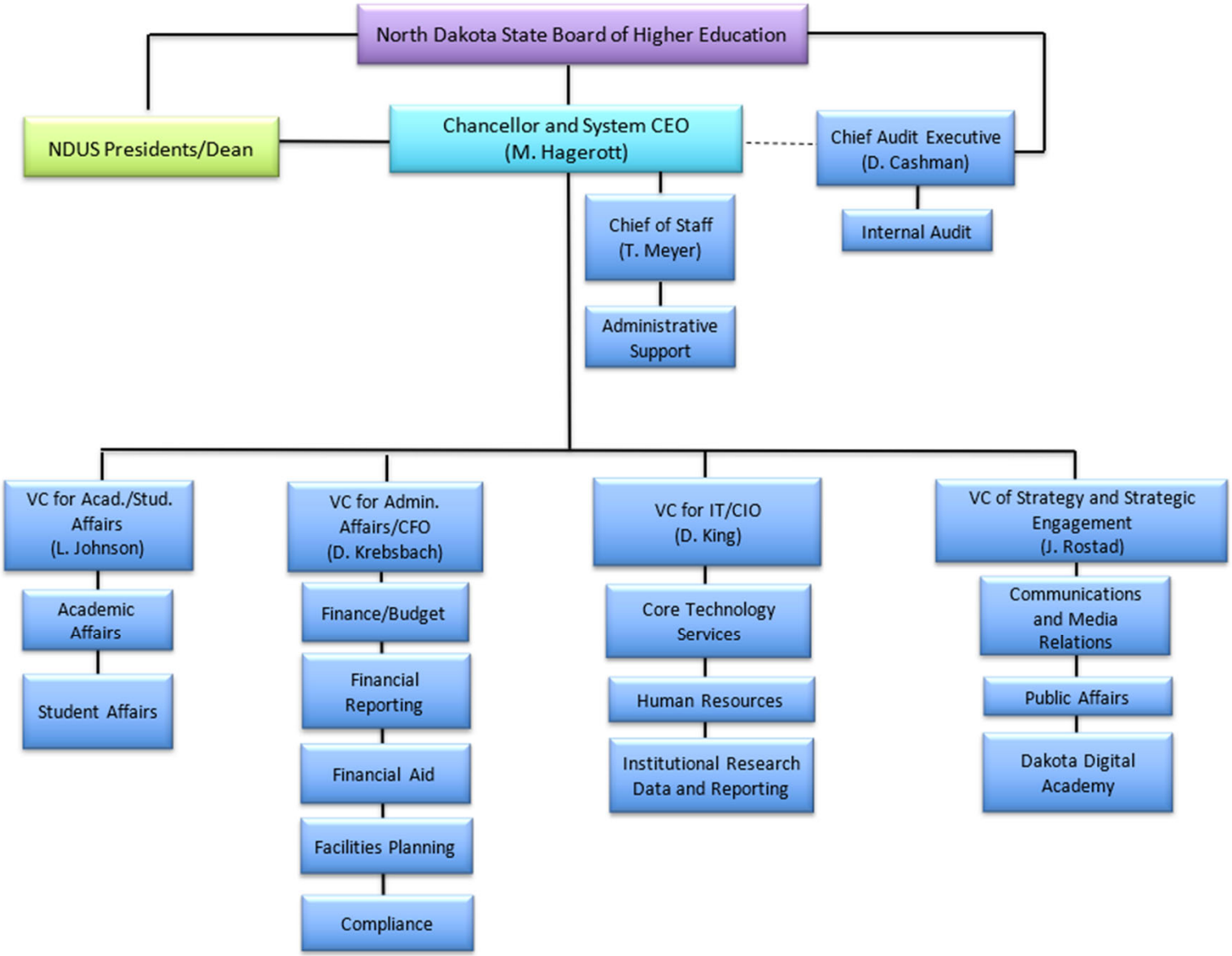
The mission of the NDUS is to enhance economic growth, social vitality, and quality of life for North Dakota through the discovery, sharing, and application of knowledge. The Chancellor's Office supports the SBHE in developing public policy for the governance of the NDUS and in advocating on behalf of the System.

**Agency Description**

The North Dakota State Board of Higher Education (SBHE), established in 1939 by the voters of North Dakota, is the governing body for the state's 11 publicly funded institutions which comprise the North Dakota University System (NDUS). The SBHE carries out its constitutional responsibilities through a comprehensive set of policies. The Chancellor serves as the NDUS' chief executive officer. The Chancellor and the system office staff support the SBHE in developing public policy for the NDUS, in advocating on its behalf, and fostering shared leadership throughout the system.

# NDUS Organization Chart






NORTH DAKOTA UNIVERSITY SYSTEM

# Agency Major Accomplishments



1. Conducted three successful presidential searches at WSC, NDSU, and NDSCS
2. Created more than 325 new certificate programs at both the undergraduate and graduate levels
3. Emerging use of stackable certificates – leading to associate and/or baccalaureate degrees
4. Implemented advanced security protection to more than 16,000 computing endpoints across the NDUS
5. Implemented a single sign-on portal for NDUS applications
6. Provided centralized secure wireless networking for the campuses
7. MiSU became the third NDUS institution to receive NSA designation of Center of Academic Excellence in Cyber Defense
8. Maintained the ND Career Builders scholarship and loan forgiveness program, in conjunction with multiple state agencies and private-sector partners, to address the State's workforce needs
9. Passage of board policy to discontinue the submission of standardized tests for the purpose of admission
10. Rebuilt SBHE Dashboards to reflect updated goals, objectives, outcomes and metrics
11. Continued support of the Dakota Digital Academy, which has resulted in numerous grant-funded digital outcomes
12. Deployed a Security Operations Center to prevent, detect, investigate, and respond to NDUS security incidents
13. Collaborated with Department of Health and others to assist in the rollout of a new vaccination campaign
14. Conducted extensive research on behalf of DPI for House Bill 1013 (COVID-era learning loss)
15. Collaborated with NDIT and SLDS to include ND Post-Secondary Outcomes on NDInsights, the state's official source for information about public education
16. Implemented NDUS data governance committee and project to ensure data is appropriately used while protected
17. Launched a systemwide online, self-service performance evaluation system
18. Implemented technical and student-facing upgrades to Campus Connection
19. Continued migration of selected services to the Cloud
20. Updated availability of Student Voting Certificate in Campus Connection

# NDUS Plans, Goals, and Challenges



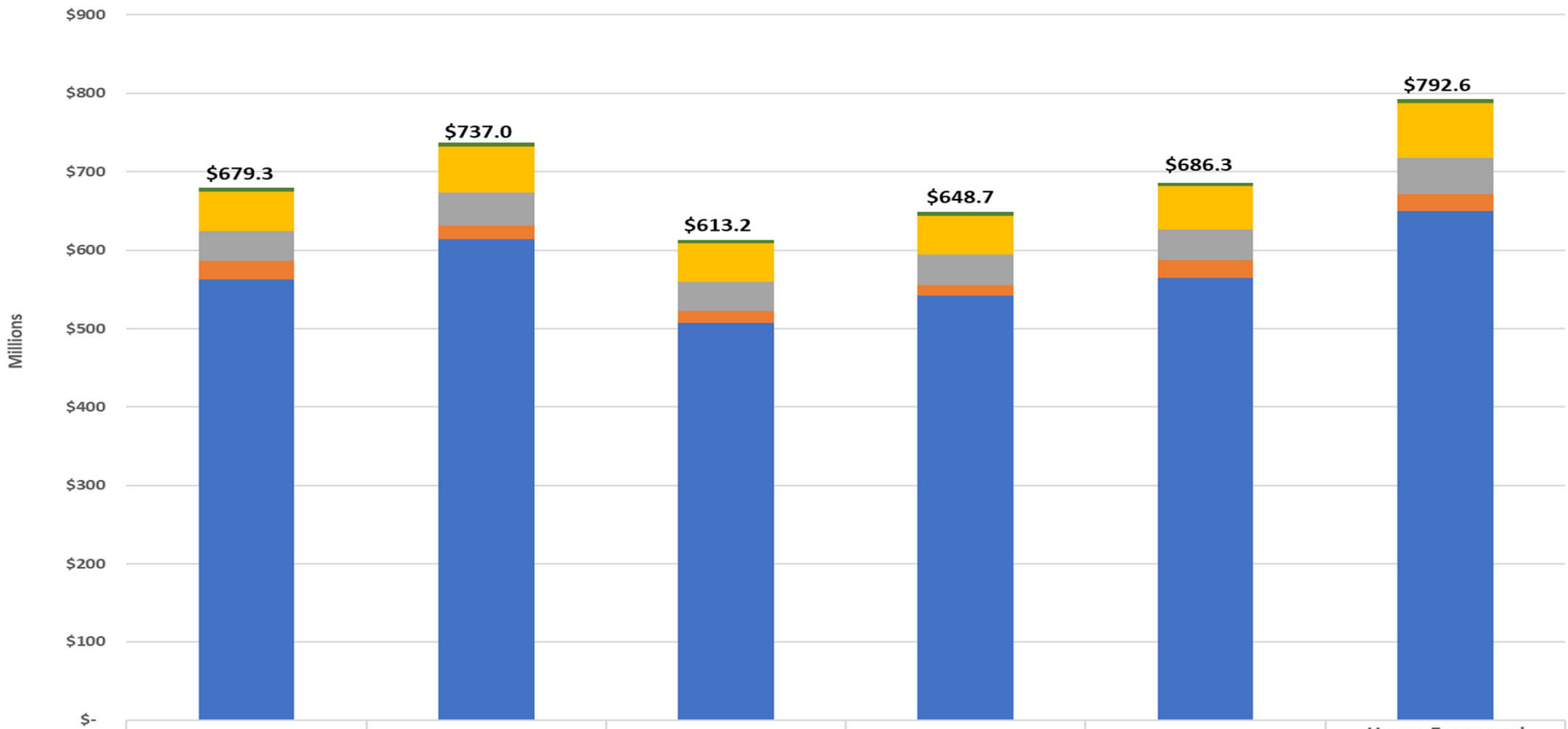
The NDUS has continued to offer regionally-competitive tuition rates, affordable student housing, and reduced student textbook costs through increased availability of Open Educational Resources. Through the implementation of more types of inter-campus and system-wide shared services, operations have and will continue to become more cost effective toward the goal of providing a quality education for students.

Critical issues related to those goals are:

- Meeting student course delivery needs by implementing a dynamic enrollment environment;
- Maintaining and increasing enrollment and retention through new programs and educational pathways;
- Addressing challenges in talent recruitment and retention for faculty and staff in changing inflationary conditions;
- Anticipating and meeting technological transformation and the digitization of society;
- Lingering impact of the COVID-19 pandemic;
- Continuing to address the near- and long-term workforce needs of the state;
- Furthering development and access to IT capabilities to maximize student success and system-wide collaboration;
- Sustaining and increasing efforts to consolidate IT systems and business services that are cost effective and provide value.

# NDUS State General Fund Appropriations (Ongoing)






| | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 | House Engrossed HB1003 |
|---|---|---|---|---|---|---|
| Forest Service | $4,701,189 | $5,007,844 | $4,426,427 | $4,676,664 | $4,792,478 | $5,575,521 |
| Financial Aid/Grants | $50,342,238 | $58,290,312 | $48,799,546 | $49,561,460 | $55,117,460 | $69,739,137 |
| Core Technology Svcs. | $38,123,114 | $42,620,028 | $37,964,115 | $38,746,102 | $39,174,280 | $46,187,623 |
| System Office | $23,096,371 | $16,605,429 | $14,875,869 | $14,019,535 | $22,606,736 | $21,546,549 |
| Institutions | $563,008,934 | $614,453,986 | $507,176,197 | $541,664,044 | $564,637,572 | $649,583,817 |

# Budget Comparison: 2021-23 Base to Engrossed HB1003



| | North Dakota University System 2023-25 Engrossed HB1003 *In Millions* | | | |
|---|---|---|---|---|
| | **General Fund** | **Tuition** | **Other Funds** | **Total** |
| 2021-23 Base | $ 686.3 | $ 680.5 | $ 1,246.3 | $ 2,613.1 |
| Formula Production | $ (9.3) | $ - | $ - | $ (9.3) |
| Bond Payments | $ (2.2) | $ - | $ - | $ (2.2) |
| Cost to Continue 2021-23 salary increases | $ 3.0 | $ 3.8 | $ 3.1 | $ 9.9 |
| Legislative Funding Formula Change | $ 4.8 | | | |
| Minimum Amount Payable | $ 2.2 | $ - | $ - | $ 2.2 |
| 2023-25 4%/4% & Tuition Compensation Package | $ 58.9 | $ - | $ 44.3 | $ 103.2 |
| 2023-25 Health Insurance Adjustment (General & Tuition) | $ 22.3 | $ - | $ 23.5 | $ 45.8 |
| Financial Aid System/Staff | $ 0.4 | $ - | $ - | $ 0.4 |
| OMB Rent Model | $ 0.1 | $ - | $ - | $ 0.1 |
| Software operations and security operation center | $ 4.5 | $ - | $ - | $ 4.5 |
| Veterans Assistance Programs | $ 0.2 | $ - | $ - | $ 0.2 |
| Student Financial Assistance Grants | $ 12.0 | $ - | $ - | $ 12.0 |
| Native American Scholarship | $ 0.5 | $ - | $ - | $ 0.5 |
| Academic/CTE Scholarship | $ 1.0 | $ - | $ - | $ 1.0 |
| Tribal Community College Grants | $ 1.0 | $ - | $ - | $ 1.0 |
| Research Network | $ 6.4 | $ - | $ - | $ 6.4 |
| Towner State Nursery | $ - | $ - | $ 0.2 | $ 0.2 |
| Cooperative fire protection initiative | $ 0.2 | $ - | $ - | $ 0.2 |
| Forest recreation enhancement | $ 0.2 | $ - | $ - | $ 0.2 |
| Grants and program special fund authority | $ - | $ - | $ 8.3 | $ 8.3 |
| 2023-25 Engrossed HB1003 | $ 792.6 | $ 684.3 | $ 1,325.7 | $ 2,797.7 |
| $ Change | $ 106.3 | $ 3.8 | $ 79.4 | $ 184.6 |
| % Change | 15.5% | 0.6% | 6.4% | 7.1% |

- Includes restoring the Minimum Amount Payable NDCC 15-18.2-06
  - HB1003 Supported: 96% - $2.2 million (LRSC $.2; NDSU $2.0)
  - NDUS Requested: 98% - $5.8 million (LRSC $0.5; NDSCS $0.5; NDSU $4.8)

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Optional Adjustment Requests



| Investments (General Fund Optional Adjustment Requests) | Total SBHE Request | House Budget | Variance from NDUS Request |
|---|---|---|---|
| **Systemwide Projects / Initiatives** | | | |
| Workforce Education Innovation Grant Program - one-time | $ 24,000,000 | $ 10,000,000 | ($14,000,000) |
| Ed. Scholarships for Energy Workforce - one-time(SB2197) | 10,000,000 | 5,125,000 | (4,875,000) |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - One-time | 3,640,624 | 3,640,624 | 0 |
| Veterans Program - base | 177,000 | 177,000 | 0 |
| Operations 7.5% inflationary increase on funding formula - Base | 40,859,847 | 0 | (40,859,847) |
| Salary 6%/4% increase plus health insurance increase (House at 4%/4%) & Tuition portion of Salary and health insur. Increases - base | 84,152,090 | 81,243,225 | (2,908,865) |
| Executive Budget Salary Equity program(OMB Bill SB2015) | 16,772,877 | 16,772,877 | 0 |
| Executive Budget Salary Equity program - Tuition portion(OMB) | 9,129,043 | 0 | (9,129,043) |
| Systemwide Marketing Program - one-time | 900,000 | 0 | (900,000) |
| Dakota Digital Academy - one-time | 450,000 | 450,000 | 0 |
| Forest Service - Cooperative Fire Protection Initiative - One-time | 187,000 | 187,000 | 0 |
| Forest Service - Forest recreation enhancement - One-time | 200,000 | 200,000 | 0 |
| Native American Scholarship - base | 0 | 444,677 | 444,677 |
| Student support for single mothers - one-time | 0 | 4,500,000 | 4,500,000 |
| Northern Tier/High Performance Computing (NDSU/UND) - base | 0 | 6,402,200 | 6,402,200 |
| NDSU Workforce Development Funding - one-time | 0 | 4,800,000 | 4,800,000 |
| Challenge Grant - one-time | 11,150,000 | 36,000,000 | 24,850,000 |
| UND Space Initiative - one-time | 0 | 45,000,000 | 45,000,000 |
| Capital Building funds - one-time | 19,000,000 | 29,000,000 | 10,000,000 |
| Capital Project Inflationary Increases - one-time | 0 | 20,100,000 | 20,100,000 |

# 2023-25 Investment Opportunities - Optional Adjustment Requests



| Investments (General Fund Optional Adjustment Requests) | Total SBHE Request | House Budget | Variance from NDUS Request |
|---|---|---|---|
| **NDUSO - Student Grants** | | | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 | 1,000,000 | 0 |
| Dual Credit Scholarships - BND Profits | 0 | 1,500,000 | 1,500,000 |
| Tribal College Grants | 0 | 1,000,000 | 1,000,000 |
| Career Builders Scholarships/Loan forgiveness - BND Profits | 0 | 15,000,000 | 15,000,000 |
| State Financial Aid Grant -(Needs based) - Base | 0 | 12,000,000 | 12,000,000 |
| Financial Aid Systems - Licensing & Maintenance($1,784,354 implementation, adds 2 additional programs - One-time; $273,180 annual cost - Base) | 2,057,534 | 1,827,534 | (230,000) |
| Financial Aid 0.5 FTE | - | 125,000 | 125,000 |
| **NDUSO - System Security & Research** | | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations Center - Base | 4,800,000 | 4,500,000 | (300,000) |
| Assistant Vice Chancellor - Research and Workforce - Base | 425,000 | 0 | (425,000) |
| Capitol Building Rent | 0 | 143,625 | 143,625 |
| NDUSO transfer to NDSU - ($367,000 - 21-23 Biennium) | 0 | 0 | 0 |
| **Investments (Optional Adjustment Requests)** | **$ 228,901,015** | **$ 301,138,762** | **$ 72,237,747** |
| **Total NDUS Request** | **$ 912,606,182** | **$ 986,075,502** | **$ 73,469,320** |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Optional Systemwide Initiatives



- SBHE supports engrossed HB1003 and Legislative Assembly providing 6%/4% salary increase next biennium; supports general funds to offset tuition portion of compensation package
- SBHE looks forward to working with Governor and Legislative Assembly to address 2021-23 inflation as part of statewide plan; consider increase in funding formula per credit hour rate for NDUS institutions **– 7.5% increase to Funding Formula**
- Behavioral Health Initiative - $3.6 million
  - Provides 16 full-time, 2 part-time, 4 trainees, and 4 intern to assist students with behavioral health needs
  - Increased need due to the pandemic
  - Student wait times to see counselor can be up to 4 weeks
- Veteran Education Training program - $177,000
  - Allow program to increase staff from 1.0 to 3.0 FTE's
  - Provide higher level of services to veterans interested in degree or certificate

# 2023-25 Investment Opportunities - Optional Systemwide Initiatives



- Workforce Education Innovation Grant Program - $24 million
  - $10M 2-year colleges; $8M 4-year regional universities; $6M NDUS research universities
  - Start-up funds for institutions to establish innovative high-demand programs to meet North Dakota workforce needs
    - Provides curriculum development, purchase of equipment and technology to train or certify new and existing instructors and to promote programs to respond to workforce needs of the state
- Reenergize North Dakota Workforce Scholarship–$10.25 million(Engrossed SB2197 is $5.125M).
  - Serving communities in the oil and gas sector with degrees, certificates, and new skills to fill workforce staffing needs
  - Provide an additional FTE in financial aid
- Dakota Digital Academy – $450,000
  - Funding to continue providing accessible computing and cyber science education in North Dakota

# 2023-25 Investment Opportunities - Optional Systemwide Initiatives



- Systemwide Marketing Program – $900,000
  - Funding to market the variety of degrees and programs offered by the 11 institutions of the NDUS to prospective North Dakota students
- Forest Service: Cooperative Fire Protection Initiative – $187,000
  - Provide critical financial, technical, and educational assistance to fire departments for wildfire prevention, suppression, mitigation
- Forest Service: Forest Recreation Enhancement - $200,000
  - Provide delivery of services to meet increasing outdoor recreation demands by State Forest users.
- SBHE supports Capital Building Funds Program and funding at current ($29M) levels in tier II and tier III funds for 2023-25 biennium
  - Support reducing match requirement of extraordinary repairs tier I funds from 2:1 match to 1:1 match for all institutions except for NDSU and UND
  - Support reducing the match requirement on Tier III funds for all institutions to 1:1 match

# 2023-25 Investment Opportunities - Optional Systemwide Governance Initiatives



- Core Technology Services - $4.8 million
  - Increase software contract costs - $3 million
  - Security Operations Center - $1.8 million
    - NDIT charges to NDUS - $1 million
    - 2 FTE Staff and software licenses for the CTS Security Operations Center - $0.8 million
- Assistant Vice Chancellor for Research and Workforce- $425,000
  - This new NDUS Office position promote and expand research activities and reporting across institutions, in collaboration with SBHE Research committee

# 2023-25 Investment Opportunities - Optional Systemwide Governance Initiatives



- ND Academic & CTE Scholarship - $1 million (Base Funding)
  - Number of eligible students continues to increase resulting in need to increase the appropriation
- Financial Aid Systems – Requesting $2,057,534, an increase of $230,000 in one-time funds from House version to add 2 additional financial aid programs to the new system(ND State Grant & Energy Workforce Scholarship(SB2197)
  - Antiquated system risks failure. The NDUS in 2021-22 processed 14,248 awards to students totaling $24.5 million.
  - Streamline processes & administrative effort, current programs managed via multiple apps, some no longer supported. Any changes are costly and cumbersome.
  - RFP solution issued to procure vendor for solution to be utilized by the NDUS. Vendor solution is $1,784,354 for first year implementation and $273,180 in ongoing annual operating costs
- SBHE supports Challenge Grant Program continuation and funding. Engrossed HB1003 includes funding at $36 million.

# 2023-25 Investment Opportunities – Higher Ed Stabilization & Research Fund Stream



- SBHE supports legislative action to create a Higher Education Stabilization Fund
  - Fund to provide resources to limit base general fund reductions due to state revenue fluctuations; similar to K-12's "Foundation Aid Stabilization Fund" eliminating need for budget allotment (NDCC 54-44.1-12)
  - Support program resilience, faculty, staff, student success during state funding shortfalls
  - K-12 stabilization mechanisms (Foundation Aid Stabilization Fund) has proven highly beneficial in a commodity-based economy
- SBHE supports a permanent research funding stream (possible use of Legacy funds)
- Research fund to include network infrastructure funding

# Other Bills with Budget Impact



- SB2015 – OMB budget - $37.5 million compensation equity for Higher Education;
- SB2161 – Relating to the State Energy Research Center at UND, provides up to $10 million from oil and gas gross production tax and oil extraction tax revenues
- SB2025 – Deficiency appropriation requests DCB - $99,768
- SB2197 – Re-energize ND Scholarship program - $5.125 million
- HB1379 – Provides for an economic diversification research fund utilizing the legacy earnings fund - $10 million; $4.5 million to UND and NDSU each, 10% to the remaining nine NDUS institutions
- SB2288 – Provides matching grants to nursing programs - $250,000
- HB1040 – Closes the PERS defined benefit plan; requires additional contributions for current staff who are plan participants to retire the unfunded actuarial liability. PERS estimates were between 7.5% to 17.5% additional required payments annually on all staff currently in the PERS defined benefit plan
- SB2239 – Maintains the PERS defined benefit plan; increases employee/employer contribution by 1% and allows employees to elect the defined benefit plan or defined contribution plan. Requires additional contributions for current staff similar to HB1040

# System Office Budget

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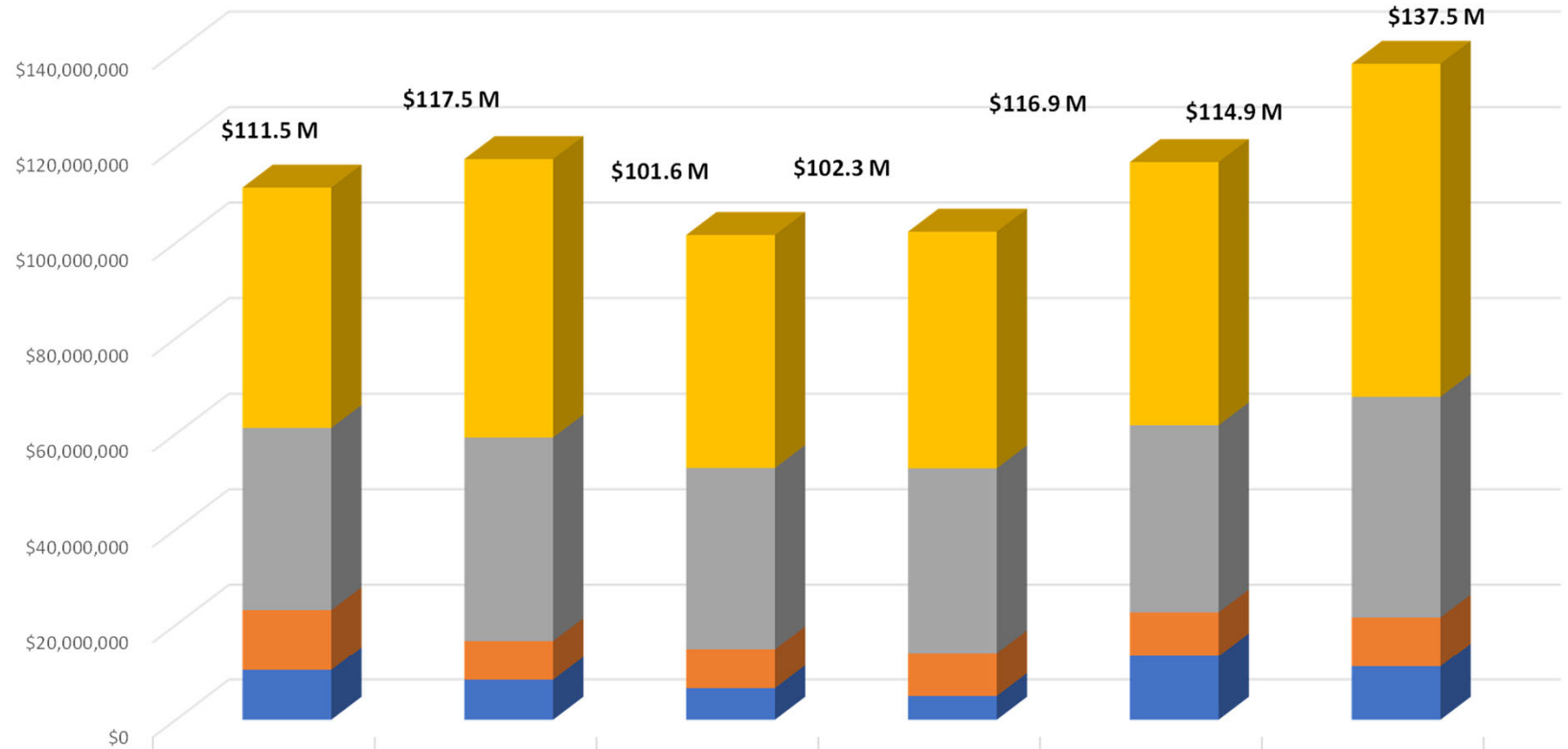
# NDUSO State General Fund Appropriations (Ongoing)






| | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 | House Engossed HB1003 |
|---|---|---|---|---|---|---|
| Financial Aid/Grants | $50,342,238 | $58,290,312 | $48,799,546 | $49,561,460 | 55,117,460 | $69,739,137 |
| Core Technology Svcs. | $38,123,114 | $42,620,028 | $37,964,115 | $38,746,102 | 39,174,280 | $46,187,623 |
| System Office | $12,660,326 | $8,236,593 | $8,270,543 | $9,060,087 | $9,221,472 | $10,348,653 |
| Capital Bond Payments | $10,436,045 | $8,368,836 | $6,605,326 | $4,959,448 | $13,385,264 | $11,197,896 |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 System Office Request & Engrossed HB1003 Base General Fund Budget



| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 | Column 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 2021-23 General Fund Base Budget | 2023-25 Bond Payment Adjustments & Cost to Continue Salaries | SBHE Optional Requests | 2023-25 NDUS Budget Request (Column 1 + Column 2 + Column 3) | Change from 2021-23 Base Budget to 2023-25 NDUS Budget Request (Column 4 - Column 1) | House Appropriations Adjustment to SBHE Request | 4%/4% Salary Increases, Tuition/ Fees 6%/4% Salary Increases, and Health Insurance | Engrossed HB1003 (Column 4 + Column 6 + Column 7) | Change from 2023-25 NDUS Budget Request to Engrossed HB1003 (Column 8 - Column 4) |
| **NDUS Office** | | | | | | | | | |
| System Governance | $ 8,137,072 | $ 53,725 | $ 698,180 | $ 8,888,977 | $ 751,905 | $ (300,000) | $ 531,651 | $ 9,120,628 | $ 231,651 |
| Capital bond payments | 13,385,264 | (2,187,368) | | 11,197,896 | (2,187,368) | | | 11,197,896 | - |
| Veterans Assistance Programs | 277,875 | | 177,000 | 454,875 | 177,000 | | | 454,875 | - |
| Student Mental Health | 284,400 | | | 284,400 | - | | | 284,400 | - |
| Core Technology Services | 39,174,280 | 158,043 | 4,800,000 | 44,132,323 | 4,958,043 | (300,000) | 2,355,300 | 46,187,623 | 2,055,300 |
| Student Financial Assistance Grants | 23,917,306 | | | 23,917,306 | - | 12,000,000 | | 35,917,306 | 12,000,000 |
| ND Scholars Program | 1,807,115 | | | 1,807,115 | - | | | 1,807,115 | - |
| Native American Scholarship | 555,323 | | | 555,323 | - | 444,677 | | 1,000,000 | 444,677 |
| Education Incentive Programs | 260,000 | | | 260,000 | - | | | 260,000 | - |
| Tribal Community College Grants | 1,000,000 | | | 1,000,000 | - | 1,000,000 | | 2,000,000 | 1,000,000 |
| Academic and Tech Ed. Scholarship | 16,216,749 | | 1,000,000 | 17,216,749 | 1,000,000 | | | 17,216,749 | - |
| Student Exchange Program | 3,699,342 | | | 3,699,342 | - | | | 3,699,342 | - |
| Competitive Research Program | 5,685,750 | | | 5,685,750 | - | | | 5,685,750 | - |
| NASA EPSCOR | 342,000 | | | 342,000 | - | | | 342,000 | - |
| Shared Campus Services | 800,000 | | | 800,000 | - | | | 800,000 | - |
| Dakota Nursing Consortium | 1,356,000 | | | 1,356,000 | - | | | 1,356,000 | - |
| OMB Rent Model | | | | - | - | 143,625 | | 143,625 | 143,625 |
| **Total NDUS Office** | **$ 116,898,476** | **$ (1,975,600)** | **$ 6,675,180** | **$ 121,598,056** | **$ 4,699,580** | **$ 12,988,302** | **$ 2,886,951** | **$ 137,473,309** | **$ 15,875,253** |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 System Office to Engrossed HB1003 One-Time Funds, Federal Funds, & FTEs



| | SBHE Optional Requests | Engrossed HB1003 | Change from 2023-25 NDUS Budget Request to Engrossed HB1003 |
|---|---|---|---|
| **One Time Funding - General** | | | - |
| **Education Challenge Grants** | $ - | $ 36,000,000 | $ 36,000,000 |
| **Systemwide Marketing Program** | 900,000 | - | (900,000) |
| **Workforce Innovation Grant Program** | 24,000,000 | 10,000,000 | (14,000,000) |
| **Education Scholarship for Energy Workforce** | 10,000,000 | - | (10,000,000) |
| **Passthrough Grants** | | 20,100,000 | 20,100,000 |
| **Dakota Digitial Acadamy** | 450,000 | 450,000 | - |
| **Financial Aid System** | 1,784,354 | 1,554,354 | (230,000) |
| **Support for Single Parents** | | 4,500,000 | 4,500,000 |
| **Total One Time Funding** | $ 37,134,354 | $ 72,604,354 | $ 35,470,000 |
| **Total NDUS Office General Funds** | 43,809,534 | 210,077,663 | 51,345,253 |

| Federal Fund | 2023-25 Avaialble Funds | Grant Award Deadline | Expenditure Plan |
|---|---|---|---|
| DHHS Passthrough COVID Immunization Grant Award | $ 326,815 | 6/30/2024 | Immunization awareness marketing campaign at nine NDUS instutions |

| | 2021-23 Legislatively Authorized FTE | Increase (Decrease) | 2023-25 Executive Recommendation & SBHE Requested |
|---|---|---|---|
| CTS | 134.83 | 4.00 | 138.83 |
| NDUSO | 24.00 | 0.00 | 24.00 |
| Total | 158.83 | 4.00 | 162.83 |

| | General Fund |
|---|---|
| Fort Abraham Lincoln Foundation Heritage River Landing | $500,000 |
| Bismarck State College polytechnic building | 10,000,000 |
| Minot children's science center | 1,000,000 |
| Dickinson State University Pulver Hall | 2,600,000 |
| Dickinson State University digitization of documents | 1,000,000 |
| North Dakota Gateway to Science | 5,000,000 |
| Total passthrough grants | $20,100,000 |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Engrossed HB1003 NDUS Funding Request



- $425,000 Assistant Vice Chancellor
- $900,000 Systemwide Marketing Campaign
- $230,000 Additional for Financial Aid System (68th Assembly adding scholarship programs)
- $3.6 million to Fund Minimum Amount Payable at 98% (Section 33)
- Restore 6%, 4% Employee Compensation Increases
- $40.9 million increase in funding formula by 7.5% for inflation
- $9.1 million Tuition portion of market equity program (SB2015)

# Other Requests and Sections for Engrossed HB 1003



- **Adjust HB1003 Section 44** –subsection 1 and 2, strike "…and fee…" or change to "…ConnectND fees…" related to tuition rates.
- **Adopt HB1241 language** for Workforce Education Innovation Fund
- **Remove: HB1003 Section 9** - transfer to NDSU from System Office $367,000;
- **Remove: HB1003 Section 19** – Severance agreements require approval by Emergency Commission & Budget Section; Payment by NDUSO.
- **Remove: HB1003 Section 20** – 30-day academic program approval requirement.

# System Office Audit Findings



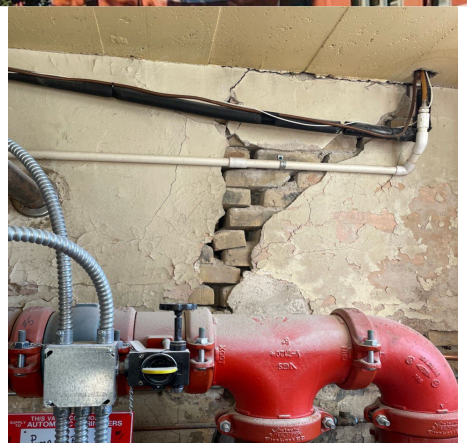
2020 Operational audit concluded with one finding:

- Lack of Appropriation Carryover Reporting for NDUS System Office.

Resolved: The enclosed required reporting includes all carryover reporting

Full report can be found at https://www.nd.gov/auditor/2020-university-system-office-north-dakota

# Mayville State Old Main Building



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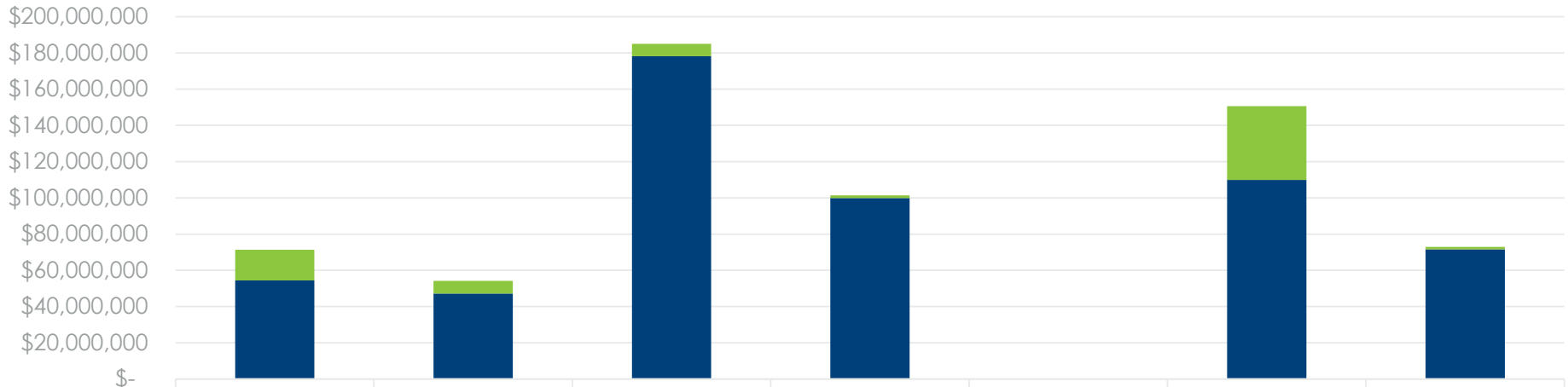
# Capital Project History – State Funded



**Capital Project Appropriations**
All NDUS institutions and NDSU agriculture entities
Paid by State General Fund, Permanent Oil Trust Fund or State Bonds




| | 2009-11 | 2011-13 | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 |
|---|---|---|---|---|---|---|---|
| NDSU Ag Entities | $17,000,000 | $6,991,650 | $6,875,000 | $1,500,000 | $100,000 | $40,750,000 | $1,335,000 |
| NDUS Institutions | $54,408,248 | $47,136,000 | $178,174,763 | $99,909,212 | $- | $109,900,000 | $71,600,000 |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Capital Funding Request



- $291 million Total Request
  - $236.5 million general fund
  - $54.5 million non-general fund
- Highest priority general fund project at each institution prioritized by:
  - % life safety & deferred maintenance
  - % of local funding
  - Projects address life/health/safety issues, deferred maintenance, and program driven needs. $188.3 million in combined deferred maintenance and life/health/safety issues
- House Budget includes all SBHE requested first priority requested capital projects and all requested special fund authority capital projects.

# 2023-25 Investment Opportunities - Capital Funding Request



## 2023-25 Capital Project Recommendations from House

| Institution | Institution Priority | SBHE Priority | Project Title | Project Total | Funding Source | | Project Type |
|---|---|---|---|---|---|---|---|
| | | | | | Strategic Investment and Improvements Fund | Other Funds | |
| DCB | 1 | 1 | Old Main/Center for Rural Health Education | $ 5,300,000 | $ 4,300,000 | $ 1,000,000 | Major renovation to existing facility. |
| LRSC | 1 | 1 | Wind Turbine Gearbox Replacement | 600,000 | | 600,000 | Equipment repair - Tier Funding (HB 1003 Section 41) |
| MaSU | 1 | 1 | Old Main Renovation | 49,970,100 | 49,970,100 | | Major renovation to existing facility. |
| MiSU | 1 | 1 | Dakota Residence Hall Demolition | 765,000 | 765,000 | | Removal of facility |
| DSU | 1 | 2 | Agriculture & Technical Education Building | 18,000,000 | 17,100,000 | 900,000 | Major renovation to existing facility. |
| NDSU | 1 | 3 | Engineering Building | 84,000,000 | 59,000,000 | 25,000,000 | New construction with major renovation to existing facility |
| VCSU | 1 | 4 | McCarthy Hall Renovation | 13,500,000 | 11,500,000 | 2,000,000 | Major renovation to existing facility. |
| UND | 1 | 5 | Science, Engineering, & National Security Corridor Planning & Demolition | 82,000,000 | 57,400,000 | 24,600,000 | Renovation, removal, and planning |
| BSC | 1 | 6 | Multipurpose Academic/Athletic Performance Center | 31,500,000 | 29,900,000 | 1,600,000 | New construction with demolition of existing facility. |
| NDSCS | 1 | 7 | Agriculture, Automation & Autonomous Systems | 19,975,000 | 18,975,000 | 1,000,000 | Major renovation to existing facilities and new construction. |
| WSC | 1 | 8 | Medical Healthcare Building | 36,600,000 | 34,750,000 | 1,850,000 | New Construction |
| UND | | | STEM Building | 75,000,000 | 52,000,000 | 23,000,000 | |
| MiSU | | | MiSU Academic | 8,000,000 | 7,600,000 | 400,000 | Nursing, computer science, math, science renovations |
| | | | **State General Fund Projects** | **$ 425,210,100** | **$ 343,260,100** | **$ 81,950,000** | |

NORTH DAKOTA UNIVERSITY SYSTEM

# 2023-25 Investment Opportunities - Capital Other Funding Request



**2023-25 Capital Project Recommendations from House**
**Non-General Funded Projects**

| INSTITUTION | PROJECT | COST | SOURCE OF FUNDS |
|---|---|---|---|
| NDSU | MUSIC BUILDING | 20,000,000 | DONATIONS |
| NDSU | SUDRO SMALL ANIMAL LAB | 3,000,000 | GRANTS/OTHER |
| VCSU | OSMON FIELD HOUSE | 20,000,000 | DONATIONS |
| VCSU | STUDENT CENTER R&R | 2,000,000 | DONATIONS |
| UND | EERC AMPF & ELEC. DIST. | 33,000,000 | $30M LEASE REVENUE BONDS/$3M LOCAL FUNDS |
| WSC | BASEBALL/SOFTBALL TURF PROJECT | 7,313,939 | DONATIONS |
| MiSU | STUDENT CENTER RENOVATION | 3,100,000 | STUDENT FEES |
| | | **88,413,939** | |

## House Requirements on Four-Year Capital Project Plan:

- Four-year (7/1/23 – 6/30/27) capital project plan on previous slide, limits NDUS institutions from requesting new capital projects for the 2025-27 biennium
- Other funds must be secured over the four-year period prior to disbursement of SIIF from Budget Section.
- Any project increases, including inflationary increases, must be funded by local/other funds
- NDUS authorized to approve projects that are 100% funded through local/other funds during four-year period (7/1/23 – 6/30/27)

## Ongoing House Requirements in Engrossed HB 1003, Section 30:

- NDSU/UND must identify 30% from other funds to request future projects from the Legislature
- All other NDUS institutions must identify 5% from other funds to request future projects from the Legislature

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# THANK YOU

David Krebsbach, Vice Chancellor Administrative Affairs & CFO

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# Senate Appropriations Committee
# 2021-23 Required Reporting

March 7, 2023

600 E Boulevard Department 215
Bismarck, North Dakota 58505-0230
Website: www.ndus.edu

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## LRSC – Curtis & Annette Hofstad Ag Center - $363,000

The Hofstad Ag Center is completed. It was finished 6-1-21 with a total cost of $3,000,000. The $363,000 was used to make payments to Gleason Construction towards the contract for the project.

## DCB – Old Main Renovation $2.5 million State Investment and Improvements Fund (SIIF) and $1.5 million donations:

Fund raising is progressing. Contracts are in place for the Architect and the Construction Manager. Schematic designs have been completed and construction costs are coming in significantly over budget. As a result, we have requested additional funds and are in the process of determining a path forward. Construction costs to date $211,091.00 (Architect).

## NDSU – Settlement Agreement $125,000

As outlined in SB2003, Section 2; NDSU received $125,000 in one-time funding which was authorized for the A. Glenn Hill Center settlement agreement. The amount received was remitted (7/22/2021) as per the SBHE approved settlement agreement to the general contractor, Roers Construction.

## Math Pathways - $150,000

North Dakota University System (NDUS) staff, faculty representing multiple NDUS institutions, and tribal college faculty were charged by the Chancellor's Cabinet to form a workgroup to develop a math pathways model. The workgroup first convened in May 2022. The workgroup identified four suggested mathematics pathways aligned with broad career fields and the corresponding programs of study. The four pathways or tracks include Algebra & Calculus, Finite Mathematics, Statistics, and a new course termed "Mathematics in Society". Institutions will implement any or all of the math pathways—each pathway providing the math content within the program most closely aligned with business, industry, or workforce need.

In addition, faculty are reviewing commonly numbered courses to ensure consistency in the pre-requisites and evaluating remedial courses for students who do not meet the course placement scores for introductory, degree credit mathematic courses. The workgroup has had preliminary discussions around a universal course placement test for a system-wide contract that either minimizes the cost placed on student and/or individual institutions.

Key stakeholders have been pleased to learn of the NDUS' responsiveness in creating a "Mathematics in Society" course that will be offered at several institutions starting Fall 2023. Each institution offering the course will submit the course for inclusion to meet general education requirements and to be commonly numbered. A course description and learning outcomes were outlined by faculty. A small workgroup is developing suggested content via open educational resources (OER) for the course in MyOpenMath (MOM) that can be shared among institutions.

| Description | Actual Expenditures 11/30/2022 | Projected Expenditures 6/30/2023 |
|---|---|---|
| Faculty Travel & Stipends | $44,916 | $89,916 |
| Other Expenses | 190 | 60,084* |
| Grand Total | $45,106 | $ 150,000 |

*Includes estimated cost to launch the systemwide placement assessment.

**2021-23 SB2003; HB1015; HB1431; and 2021-23 Special Session HB1505**
**2021-23 MAJOR CAPITAL PROJECTS**
**2021-23 Legislative Appropriation (SB2003, HB1015, HB1431 and SS HB1505)**

| Campus | Project | General Funds (SB2003) | SIIF Funds (SB2003) or CRF Federal Funds (HB1015) ) or ARPA (special session HB 1505) | 2017-19 GF Cash Carryover | State Bonds (HB1431) | Other Funds (SB2003) | Total Funds | Expenditures as of 11-30-2022 | Estimated Unexpended balance at 6-30-23 | Amount of balance at 6-30-23 Obligated | Project Completion Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| BSC | Polytechnic Building (SS SB 2345 Sec. 1 #15; ARPA) | | 38,000,000 | - | | - | 38,000,000 | 1,053,619 | 1,353,619 | 1,353,619 | 6/30/2025 |
| UND | Airport Apron (HB1015, Sec. 6. #3; CRF Funds - Changed to ARPA in Spec. Session HB1505 sec. 1) | | 5,000,000 | | | | 5,000,000 | 3,009,979 | 500,000 | 500,000 | 6/30/2024 |
| UND | Merrifield Hall (SS SB 2345 Sec. 1 #14; ARPA) | | 50,000,000 | | | | 50,000,000 | 1,320,219 | 30,000,000 | 24,000,000 | 6/30/2025 |
| NDSU | Agriculture Products Development Center(SB2003 & HB1431) | | | 20,000,000 | 50,000,000 | 15,000,000 | 85,000,000 | 6,560,180 | 70,000,000 | 70,000,000 | 6/30/2024 |
| LRSC | Curt Hofstad Precision Agriculture Center (SB2003-Sec. 8 - SIIF) | | 363,000 | - | | - | 363,000 | 363,000 | 0 | 0 | 6/1/2021 |
| MaSU | Boiler Conversion to Natural Gas (HB1015-Sec. 9 -GF) | 1,600,000 | | - | | | 1,600,000 | 1,500,000 | 0 | 0 | 12/31/2022 |
| MiSU | Hartnett Hall (SS SB 2345 Sec. 1 #16; ARPA) | - | 25,000,000 | - | | - | 25,000,000 | 2,467,222 | 10,000,000 | 10,000,000 | 1/31/2024 |
| VCSU | Land Purchase (SB2003) | | | | | 309,000 | 309,000 | 309,000 | 0 | 0 | 6/30/2022 |
| DCB | Old Main Renovation(SB2003-Sec. 8, SIIF) | | 2,500,000 | | - | 1,500,000 | 4,000,000 | 211,091 | 1,000,000 | 1,000,000 | 6/30/2024 |
| DSU | Pulver Hall & Other Projects(HB1015-CRF Funds Sec. 6, #4.- Changed to ARPA in Spec. Session HB1505 sec. 1) | | 4,000,000 | - | | - | 4,000,000 | 698,511 | 1,250,000 | 1,250,000 | 6/30/2024 |
| | Campus Total (SB2003 & HB1431) | $ 1,600,000 | $ 124,863,000 | $ 20,000,000 | $ 50,000,000 | $ 16,809,000 | $ 213,272,000 | $ 17,492,821 | $ 114,103,619 | $ 108,103,619 | |

## Capital Building Funds
## 2021-23 Biennium Project Expenditures of 2019-21 Carryover

### Tier II - Capital Building Fund and Match Requirement
### 2019-21 Biennium

| | Funding from Bank of North Dakota | | | Required 1 to 1 Match [1/] | | | Total BND funds & Required Match | | |
|---|---|---|---|---|---|---|---|---|---|
| Institution | Carryover Appropriation | Projects 7/1/19-6/30/21 | Balance Available | Carryover Required Match | Projects 7/1/19-6/30/21 | Balance Available | Original Appropriation & Required Match | Projects 7/1/19-6/30/21 | Balance Available |
| MaSU | $240,029 | $0 | $240,029 | $240,029 | $0 | $240,029 | $480,058 | $0 | $480,058 |
| MiSU | $572,801 | ($572,801) | $0 | $572,801 | ($572,801) | $0 | $1,145,602 | ($1,145,602) | $0 |
| DCB | $106,064 | ($106,064) | $0 | $106,064 | ($106,064) | $0 | $212,128 | ($212,128) | $0 |
| TOTAL | $918,894 | ($678,865) | $240,029 | $918,894 | ($678,865) | $240,029 | $1,837,788 | ($1,357,730) | $480,058 |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local funds

### Tier III - Capital Building Fund and Match Requirement
### 2019-21 Biennium

| | General Fund & Bank of North Dakota | | | Required 2 for 1 Match [1/] | | | Total General Funds, BND Funds & Required | | |
|---|---|---|---|---|---|---|---|---|---|
| Institution | Carryover Appropriation | Projects 7/1/19-6/30/21 | Balance Available | Carryover Required Match | Projects 7/1/19-6/30/21 | Balance Available | Original Appropriation & Required Match | Projects 7/1/19-6/30/21 | Balance Available |
| DSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| MaSU | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| MiSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $1,000,000 | $1,500,000 | ($1,500,000) | $0 |
| VCSU | $415,945 | $0 | $415,945 | $831,890 | $0 | $831,890 | $1,247,835 | $0 | $1,247,835 |
| DCB | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| TOTAL | $2,415,945 | ($1,000,000) | $1,415,945 | $4,831,890 | ($2,000,000) | $3,831,890 | $7,247,835 | ($3,000,000) | $4,247,835 |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local funds

## SB2003 Section 6

### Tier I - 2021-23 Extraordinary Repairs and Match Requirement
### Projected as of June 30, 2023

| Institution | Appropriation | Projects 7/1/21-6/30/23 | Balance Available | Original Required Match | Projects 7/1/21-6/30/23 | Balance Available | Original Appropriation & Required Match | Projects 7/1/21-6/30/23 | Balance Available |
|---|---|---|---|---|---|---|---|---|---|
| BSC | $417,673 | ($417,673) | $0 | $835,346 | ($835,346) | $0 | $1,253,019 | ($1,253,019) | $0 |
| LRSC | $155,367 | ($155,367) | $0 | $310,734 | ($310,734) | $0 | $466,101 | ($466,101) | $0 |
| WSC | $197,801 | ($141,717) | $56,084 | $395,602 | ($283,434) | $112,168 | $593,403 | ($425,151) | $168,252 |
| UND | $4,411,566 | ($4,411,566) | $0 | $8,823,132 | ($8,823,132) | $0 | $13,234,698 | ($13,234,698) | $0 |
| NDSU | $2,732,244 | ($2,732,244) | $0 | $5,464,488 | ($5,464,488) | $0 | $8,196,732 | ($8,196,732) | $0 |
| NDSCS | $1,012,379 | ($1,012,379) | $0 | $2,024,758 | ($2,024,758) | $0 | $3,037,137 | ($3,037,137) | $0 |
| DSU | $409,078 | ($409,078) | $0 | $818,156 | ($818,156) | $0 | $1,227,234 | ($1,227,234) | $0 |
| MaSU | $358,992 | ($358,992) | $0 | $717,984 | ($717,984) | $0 | $1,076,976 | ($1,076,976) | $0 |
| MiSU | $899,620 | ($899,620) | $0 | $1,799,240 | ($1,799,240) | $0 | $2,698,860 | ($2,698,860) | $0 |
| VCSU | $408,319 | ($408,319) | $0 | $816,638 | ($816,638) | $0 | $1,224,957 | ($1,224,957) | $0 |
| DCB | $114,007 | ($114,007) | $0 | $228,014 | ($228,014) | $0 | $342,021 | ($342,021) | $0 |
| **TOTAL** | **$11,117,046** | **($11,060,962)** | **$56,084** | **$22,234,092** | **($22,121,924)** | **$112,168** | **$33,351,138** | **($33,182,885)** | **$168,253** |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local and auxiliary funds; institution bonds; federal HEERF/ARPA funds.

### Tier II - 2021-23 Capital Building Fund and Match Requirement
### Projected as of June 30, 2023

| Institution | Original Appropriation | Projects 7/1/21-6/30/23 | Balance Available | Original Required Match | Projects 7/1/21-6/30/23 | Balance Available | Original Appropriation & Required Match | Projects 7/1/21-6/30/23 | Balance Available |
|---|---|---|---|---|---|---|---|---|---|
| BSC | $425,693 | ($425,693) | $0 | $425,693 | ($425,693) | $0 | $851,386 | ($851,386) | $0 |
| LRSC | $177,375 | ($150,000) | $27,375 | $177,375 | ($150,000) | $27,375 | $354,750 | ($300,000) | $54,750 |
| WSC | $137,947 | $0 | $137,947 | $137,947 | $0 | $137,947 | $275,894 | $0 | $275,894 |
| UND | $4,361,801 | ($4,361,801) | $0 | $4,361,801 | ($4,361,801) | ($0) | $8,723,602 | ($8,723,602) | $0 |
| NDSU | $2,899,596 | ($2,899,596) | $0 | $2,899,596 | ($2,899,596) | $0 | $5,799,192 | ($5,799,192) | $0 |
| NDSCS | $500,695 | ($453,295) | $47,400 | $500,695 | ($453,295) | $47,400 | $1,001,390 | ($906,590) | $94,800 |
| DSU | $268,862 | ($268,862) | $0 | $268,862 | ($268,862) | $0 | $537,724 | ($537,724) | $0 |
| MaSU | $240,029 | $0 | $240,029 | $240,029 | $0 | $240,029 | $480,058 | $0 | $480,058 |
| MiSU | $572,801 | ($572,801) | $0 | $572,801 | ($572,801) | $0 | $1,145,602 | ($1,145,602) | $0 |
| VCSU | $309,137 | ($200,000) | $109,137 | $309,137 | ($200,000) | $109,137 | $618,274 | ($400,000) | $218,274 |
| DCB | $106,064 | ($106,064) | $0 | $106,064 | ($106,064) | $0 | $212,128 | ($212,128) | $0 |
| **TOTAL** | **$10,000,000** | **($9,438,112)** | **$561,888** | **$10,000,000** | **($9,438,112)** | **$561,888** | **$20,000,000** | **($18,876,224)** | **$1,123,776** |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local and auxiliary funds; donations; institution bonds; federal HEERF/ARPA funds.

## SB2003 Section 6

**Tier III - 2021-23 Capital Building Fund and Match Requirement**
**Projected as of June 30, 2023**

| Institution | Original Appropriation | Projects 7/1/21-6/30/23 | Balance Available | Original Required Match | Projects 7/1/21-6/30/23 | Balance Available | Original Appropriation & Required Match | Projects 7/1/21-6/30/23 | Balance Available |
|---|---|---|---|---|---|---|---|---|---|
| BSC | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| LRSC | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| WSC | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| UND | $2,250,000 | ($2,250,000) | $0 | $4,500,000 | ($4,500,000) | $0 | $6,750,000 | ($6,750,000) | $0 |
| NDSU | $2,250,000 | ($2,250,000) | $0 | $4,500,000 | ($4,500,000) | $0 | $6,750,000 | ($6,750,000) | $0 |
| NDSCS | $500,000 | ($357,963) | $142,037 | $1,000,000 | ($715,930) | $284,070 | $1,500,000 | ($1,073,893) | $426,107 |
| DSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| MaSU | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| MiSU | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| VCSU | $500,000 | $0 | $500,000 | $1,000,000 | $0 | $1,000,000 | $1,500,000 | $0 | $1,500,000 |
| DCB | $500,000 | ($500,000) | $0 | $1,000,000 | ($1,000,000) | $0 | $1,500,000 | ($1,500,000) | $0 |
| **TOTAL** | **$9,000,000** | **($6,857,963)** | **$2,142,037** | **$18,000,000** | **($13,715,930)** | **$4,284,070** | **$27,000,000** | **($20,573,893)** | **$6,426,107** |

[1/] Sources of matched dollars include the following: general fund and other appropriated operating funds; reserves; local and auxiliary funds; donations; institution bonds; federal HEERF/ARPA funds.

As requested in 2021 SB2003 Section 14, each institution's five year capital building plans were updated in FY2022 and approved by the State Board of Higher Education. The five year plans for each institution are available to the committee upon request.

# 2021-23 SB2003 Section 15

## 2019-21 Carryover to 2021-23

| Campus | Carryover Category | Type of Carryover | Type of Fund | Total Carryover To 2021-23 | Expenditures as of 11-30-2022 | Total Final or Estimated Cost | Estimated Unexpended Balance of Carryover at 6-30-2023 | Project Completion or Estimated Completion Date | Explanation of How Funds were Spent |
|---|---|---|---|---|---|---|---|---|---|
| BSC | Schafer Hall Heat Pump | Capital Projects | General Fund | 53,385 | 53,385 | 53,385 | - | 6/30/2022 | Completed Schafer Hall Heat Pump |
| BSC | Polytechnic Project | Operating | General Fund | 471,613 | 471,613 | 471,613 | - | 6/30/2022 | Operational costs for Polytechnic startup |
| LRSC | Extraordinary Repairs | Capital Projects | General Fund | 103,395 | 103,395 | 103,395 | - | 10/11/2022 | Misc Small Projects & Electrical/Mechanical Upgrades |
| UND | Extraordinary Repairs | Capital Projects | General Fund | 16,482 | 16,482 | 16,482 | - | 6/30/2022 | Conveyance |
| UND | Athletics High Performance Center | Capital Projects | Other Funds | 35,000,000 | 36 | 35,000,000 | 34,000,000 | 8/31/2024 | This project is an addition to the Fritz Pollard Center. |
| UND | Memorial Union | Capital Projects | Other Funds | 5,420,409 | 5,267,064 | 80,000,000 | - | 6/30/2023 | Construction of the new Memorial Union. |
| UND | Deferred Maintenance Funding | Capital Projects | Other Funds | 15,422,786 | 11,526,510 | 30,000,000 | - | 6/30/2023 | Various Deferred Maintenance Projects in the Campus Quad |
| UND | Gamble Hall (Nistler) | Capital Projects | Other Funds | 47,413,422 | 29,340,550 | 55,000,000 | - | 6/30/2023 | Construction of the new Nistler College of Business & Public Administration |
| UND | Student Engagement Center (Gershman) | Capital Projects | Other Funds | 1,769,108 | 164,003 | 2,717,801 | - | 6/30/2022 | Renovation of the J. Lloyd Stone House; Renamed as the Gershman Graduate Center. |
| UND | Operating - CRF | Operating | Federal Funds | 55,277 | 55,277 | 55,277 | - | 11/12/2021 | COVID Relief |
| NDSU | Operating - CRF | Operating | Federal Funds | 501,265 | 501,265 | 501,265 | - | 12/31/2021 | ND CARES funding |
| NDSU | Barry Hall Renovation | Capital Projects | Other Funds | 457,255 | 59,820 | 2,602,565 | - | 9/30/2022 | Barry Hall renovation, project under budget and complete. |
| NDSU | Indoor Practice Facility | Capital Projects | Other Funds | 35,507,893 | 31,609,984 | 50,000,000 | 3,000,000 | 11/30/2023 | Indoor practice facility, carryover due to supply chain issues. Completion expected during FY2024. |
| NDSU | Softball Indoor Facility | Capital Projects | Other Funds | 2,000,000 | 133,472 | 2,600,000 | 1,866,528 | Project on hold, not started | Expenses are for architect fees, project on hold due to estimated costs exceeding authorization/donor funding. |
| NDSU | University Village Replacement-PH 2 | Capital Projects | Other Funds | 37,600,000 | - | 37,600,000 | 37,600,000 | Project on hold, not started | N/A-Project on hold, not started. |
| NDSU | Sugihara Hall | Capital Projects | General Fund | 4,794,619 | 2,639,896 | 8,000,000 | 55,000 | 9/30/2023 | Science building for Chemistry, Biochemistry, Earth, Environmental and Geospatial sciences. Replacement for Dunbar Hall. Supply line delay, project is substantially complete and in use. |
| NDSU | Ag Products Dev Center | Capital Projects | General Fund | 19,999,909 | 3,882,871 | 20,000,000 | 15,417,038 | 6/30/2024 | Architect fees, this is part of the overall project authorized at $85m; GF $20m, State Bonds $50m, Other $15m. |
| NDSU | Extraordinary Repairs | Capital Projects | General Fund | 251,571 | 200,233 | 2,732,244 | - | 6/30/2023 | Street/Water/Sewer replacements, windows replace, roof repairs, other misc repairs. |
| NDSU | Sugihara Hall | Capital Projects | Other Funds | 17,442,666 | 14,242,666 | 40,000,000 | - | 9/30/2023 | Science building for Chemistry, Biochemistry, Earth, Environmental and Geospatial sciences. Replacement for Dunbar Hall. Supply line delay, project is substantially complete and in use. |
| NDSU | Sudro Hall Addition | Capital Projects | Other Funds | 3,450,856 | 44,631 | 24,593,775 | - | 2/1/2022 | Addition to Sudro Hall, project is complete and under budget. |
| NDSU | Tier II | Capital Building Fund | Other Funds | 2,147,465 | 2,147,465 | 2,899,596 | - | 12/1/2022 | Residence Hall(s) maintenance and repairs; elevators, tunnels, other misc repairs. |
| NDSU | Tier III | Capital Building Fund | Other Funds | 1,733,025 | 1,524,554 | 1,750,000 | - | 6/30/2023 | Residence Hall(s) maintenance and repairs; bathroom restoration/updates, elevators, other misc repairs. |
| NDSU | Tier III | Capital Building Fund | General Fund | 500,000 | 500,000 | 500,000 | - | 12/1/2022 | Residence Hall(s) maintenance and repairs; bathroom restoration/updates, elevators, other misc repairs. |
| NDSCS | Tier II/III | Capital Building Fund | General Fund | 111,111 | 111,111 | 111,111 | - | 12/31/2021 | Variety of campus improvement projects, classroom updates, roof repairs, etc. |
| NDUS Office | System Governance | Operating | General Fund | 866,849 | 276,880 | 494,779 | 372,071 | 6/30/2025 | $110,584 Financial Aid System upgrades/development; $3,730 office equipment and remodel/redesign; $26,390 software licenses (Steel Compliance Software/Adobe Licenses); $7,088 DDA Expenses; $115,787 salaries and leave payout; $13,302 employee training |
| NDUS Office | Tier II-III Capital Building Fund-0545 | Capital Projects | Other Funds | 3,334,839 | 1,572,801 | 1,678,865 | 1,655,974 | 6/30/2025 | Transferred to the Capital Building Fund with State Investment Board (SIB) per 2021 SB2033 (See 2019-21 Tier II & Tier III report) |
| NDUS Office | Student financial assistance grants | Financial Aid | General Fund | 956,785 | 956,785 | 956,785 | - | 6/30/2022 | Fully expended during the FY22 on the Student financial assistance grants. |
| NDUS Office | Scholars program | Financial Aid | General Fund | 470,269 | 470,269 | 470,269 | - | 6/30/2022 | Fully expended during the FY22 on the Scholars program. |
| NDUS Office | Native American scholarships | Financial Aid | General Fund | 23,097 | 23,097 | 23,097 | - | 6/30/2022 | Fully expended during the FY22 on the Native American scholarships. |
| NDUS Office | CTS - CRF | Operating | Federal Funds | 170,158 | 170,158 | 170,158 | - | 6/30/2022 | Instructional design resources and classroom and other facility restructuring. |
| NDUS Office | Academic and CTE scholarships | Financial Aid | General Fund | 422,278 | 422,278 | 422,278 | - | 6/30/2022 | Fully expended during the FY22 on the Academic and CTE scholarships. |

# 2021-23 SB2003 Section 15

## 2019-21 Carryover to 2021-23

| Campus | Carryover Category | Type of Carryover | Type of Fund | Total Carryover To 2021-23 | Expenditures as of 11-30-2022 | Total Final or Estimated Cost | Estimated Unexpended Balance of Carryover at 6-30-2023 | Project Completion or Estimated Completion Date | Explanation of How Funds were Spent |
|---|---|---|---|---|---|---|---|---|---|
| NDUS Office | Professional student exchange program | Financial Aid | General Fund | 1,510,378 | 1,510,378 | 1,510,378 | - | 6/30/2022 | Fully expended during the FY22 on the Professional student exchange program. |
| NDUS Office | Student mental health | Operating | General Fund | 32,051 | 32,051 | 32,051 | - | 6/30/2022 | Supervisor counseling contracts, mental health crisis hotline and eCHUG subscription. |
| NDUS Office | Shared Campus Services | Operating | General Fund | 20,715 | 20,715 | 20,715 | - | 6/30/2022 | WICHE/MHEC Membership dues and OER Course Development |
| DSU | Theodore Roosevelt Digitalization | Capital Project | General Fund | 4,588 | 4,588 | 4,588 | - | 6/30/2022 | Equipment was purchased to facilitate the digitization of the files, etc. |
| DSU | Pulver Hall Renovation - Bonds | Capital Building Fund | Other Funds | 936,950 | 936,950 | 936,950 | - | 9/30/2022 | The Lowman Walton (Pulver Hall) Hall was completed in late summer and is in use. |
| DSU | Operating | Operating | General Fund | 484,302 | 484,302 | 484,302 | - | 7/31/2021 | Final operating draw for the 6/30/2021 biennium drawn in July 2021. |
| DSU | Operating - CRF | Operating | Federal Funds | 564,057 | 564,057 | 564,057 | - | 2/18/2022 | CRF expenses used for Covid related expenses |
| MaSU | Extraordinary Repairs 17-19 | Capital Projects | General Fund | 7,437 | 7,437 | 7,437 | - | 6/30/2022 | Natural Gas Boiler install |
| MaSU | Extraordinary Repairs 19-21 | Capital Projects | General Fund | 358,992 | 163,013 | 358,992 | - | 6/30/2022 | Numerous capital projects: roofing, semi access, card access, energy audit, landscape improvements, nursing remodel, campus center HVAC |
| MaSU | Operating - CRF | Operating | Federal Funds | 393,287 | 393,287 | 393,287 | - | 6/30/2022 | Remodels |
| MaSU | Natural Gas Boiler - SB2003 Sec. 7 Emergency | Capital Project | General Fund | 1,600,000 | 474,443 | 1,600,000 | - | 12/31/2022 | Natural gas boiler completion and online |
| MiSU | Extraordinary Repairs 19-21 | Capital Projects | General Fund | 224,905 | 85,065 | 224,905 | - | 6/30/2023 | Various improvement projects across campus and repair of the boiler |
| MiSU | Extraordinary Repairs 17-19 | Capital Projects | General Fund | 575,304 | 525,128 | 575,304 | - | 6/30/2023 | Various improvement projects across campus, semi-annual payment of energy efficiency project, and HVAC control upgrade |
| VCSU | Operating - CRF | Operating | Federal Funds | 61,147 | 61,147 | 61,147 | - | 12/31/2021 | CRF expenses used for Covid related expenses |
| VCSU | Extraordinary Repair Match | Capital Projects | General Fund | 337,590 | 337,589 | 337,589 | 1 | 6/30/2022 | Variety of campus improvement projects, classroom updates, power house repairs, roof repairs, etc. |
| VCSU | Center for Arts | Capital Projects | Other Funds | 12,303,834 | 11,224,831 | 12,303,834 | - | 1/31/2023 | Funds spent on building of the Center for Fine Arts. |
| VCSU | Activated Carbons | Capital Projects | Other Funds | 22,500,000 | - | - | 22,500,000 | Project on hold, not started | project on hold; authority to continue to move forward needed in 2023-25 biennium |
| VCSU | Tier II/III | Capital Building Fund | General Fund | 309,137 | 309,137 | 309,137 | - | 6/30/2022 | Variety of campus improvement projects, classroom updates, power house repairs, roof repairs, etc. |
| VCSU | Tier II/III | Capital Building Fund | Other Funds | 393,191 | 393,191 | 393,191 | - | 6/30/2022 | Variety of campus improvement projects, classroom updates, power house repairs, roof repairs, etc. |
| DCB | Operating - CRF | Operating | Federal Funds | 17,095 | 17,095 | 17,095 | - | 6/30/2022 | Ventilation improvements |
| DCB | Extraordinary Repairs 19-21 | Capital Projects | General Fund | 72,075 | 72,075 | 72,075 | - | 6/30/2022 | Repair ventilation shaft Old Main |
| DCB | 15 - '17E Repair | Capital Projects | General Fund | 68,129 | 68,129 | 68,129 | - | 6/30/2022 | Repair ventilation shaft Old Main |
| DCB | 17 - '19 E Repair | Capital Projects | General Fund | 78,977 | 28,879 | 78,977 | 50,098 | 6/30/2025 | Repair ventilation shaft Old Main |
| DCB | NSC II/boiler/Dining Center | Capital Projects | General Fund | 87,293 | 65,788 | 87,293 | - | 6/30/2023 | NSC boiler dining center |
| DCB | Knudson Dining Center -State Bonds | Capital Projects | Other Funds | 2,500,000 | 2,500,000 | 2,500,000 | - | 7/31/2022 | bonding for new dining center |
| Forest Service | Operating | Operating | General Fund | 378,059 | 227,376 | 378,059 | - | 6/30/2023 | Funds were used for extraordinary repairs, equipment and other one-time operating expenses. |
| | | | **Total General Funds** | $ 35,191,295 | $ 14,544,389 | | $ 15,894,208 | | |
| | | | **Total Other & Federal Funds** | $ 249,095,985 | $ 114,450,816 | | $ 100,622,502 | | |
| | | | **Total Carryover All Funds** | $ 284,287,280 | $ 128,995,204 | | $ 116,516,710 | | |

| 2021 SB2003 Section 22: |
|---|
| Authorizes appropriation line item transfers from operations to capital assets with SBHE approval. |
| Required reporting to legislature and OMB. |

# 2021-23 Institution General Fund Transfer from Operations to Capital

**SB2003 Section 22 authorizes OMB to transfer appropriation authority from Operations to the Capital Assets line item of the Institutions with State Board of Higher Education approval. Required reporting to legislature and OMB.**

| SBHE Meeting Date | Institution | General Fund Transfers | Project Description |
|---|---|---|---|
| 8/19/2022 | VCSU | $816,638 | **Deferred Maintenance Projects:** Roof repairs; powerhouse repairs; ADA compliance upgrades; classroom and office remodels; McFarland 3rd floor classroom and office remodel; McFarland hallway updates; sidewalk replacement; press box repairs and other miscellaneous projects. |

## 2021-23 SB2030 - One-Time Funding
## ND Higher Education Challenge Grant Fund

| Institution | Total Available per NDCC 15-10-48 & 49 and SB2030 | Expenditures as of 12/31/22 | Remaining Available Institution Specific Grant Awards |
|---|---|---|---|
| **BSC** | $ 950,000 | $ 911,319 | **$ 38,681** |
| **DCB** | 350,000 | 130,988 | **$ 219,012** |
| **DSU** | 700,000 | 700,000 | **$ -** |
| **LRSC** | 350,000 | 350,000 | **$ -** |
| **MaSU** | 700,000 | 580,797 | **$ 119,203** |
| **MiSU** | 950,000 | 891,175 | **$ 58,825** |
| **NDSCS** | 950,000 | 701,883 | **$ 248,117** |
| **NDSU** | 1,700,000 | 1,700,000 | **$ -** |
| **UND** | 1,700,000 | 1,700,000 | **$ -** |
| **VCSU** | 700,000 | 577,068 | **$ 122,932** |
| **WSC** | 350,000 | 350,000 | **$ -** |
| **UND School of Law** | 250,000 | 250,000 | **$ -** |
| **UND SMHS** | 1,500,000 | 1,500,000 | **$ -** |
| **Total** | **$ 11,150,000** | **$ 10,343,230** | **$ 806,770** |

**FEDERAL STATE FISCAL RECOVERY FUND - STATUS OF APPROPRIATIONS**

| Agency | Program | Amount Appropriated | Actual Expenditures through December 31, 2022 | Estimated Expenditures through June 30, 2023 | Estimated Remaining Amount June 30, 2023 | Carryover Amount Requested 2023-25 Biennium | Justification / Purpose of Carryover Amount | Amount Spent or Obligated by December 2024 | Unspent and Unobligated Amount December 2024 |
|---|---|---|---|---|---|---|---|---|---|
| 215 - State Board of Higher Education | High-performance computing at North Dakota State University | 1,600,000 | 1,390,004 | 1,600,000 | - | - | NDSU expects to expend all funds by 6/30/2023. | $ 1,600,000 | - |
| 215 - State Board of Higher Education | Merrifield Hall/Twamley Hall project at the University of North Dakota | 50,000,000 | 1,320,219 | 7,000,000 | 43,000,000 | 43,000,000 | Due to significant inflation costs related to the renovation project, planning was stalled to find other funding sources that could be used to complete the project, or to attempt to reduce the scope of the project. | 50,000,000 | - |
| 215 - State Board of Higher Education | Reconstruction of UND's apron at the Grand Forks airport to replace funds appropriated from the Coronavirus Capital Projects Fund in House Bill No. 1015 (funding source change only) | 5,000,000 | 3,009,979 | 4,800,000 | 200,000 | 200,000 | The delay by the FAA in determining the site of the air traffic control tower pushed the site and utility work into the 2023 construction season. | 5,000,000 | - |
| 215 - State Board of Higher Education | DSU Pulver Hall project, a meat processing laboratory remodel, and other projects to replace funds appropriated from the Coronavirus Capital Projects Fund in House Bill No. 1015 (funding source change only) | 4,000,000 | 698,511 | 3,000,000 | 1,000,000 | 1,000,000 | The carry over is the result of the lead time that is necessary to replace the emergency generator. We are looking at a 60 day lead time on that item and we have not actually placed the order as of yet. | 4,000,000 | - |
| 215 - State Board of Higher Education | Polytechnic building project at Bismarck State College | 38,000,000 | 1,053,619 | 3,000,000 | 35,000,000 | 35,000,000 | Construction in progress. Comnpletion expected in June 2025 | 38,000,000 | - |
| 215 - State Board of Higher Education | Hartnett Hall project at Minot State University | 25,000,000 | 3,287,587 | 8,000,000 | 17,000,000 | 17,000,000 | Construction in progress. Comnpletion expected in December, 2023. | 25,000,000 | - |
| 215 - State Board of Higher Education | University of North Dakota School of Medicine and Health Sciences for equipment and personnel to use hyperbaric oxygen therapy | 2,104,121 | 210,319 | 610,207 | 1,283,595 | 1,283,595 | University of North Dakota School of Medicine and Health Sciences continues working with partner hospitals to develop clinical programs with hyperbaric oxygen chambers. As of 12/31/22, the encumbrance balance is $399,888. Please note that the SMHS hyperbaric chamber project has been delayed primarily due to the different business models and operational constraints in each partner hospital. SMHS is working with partner hospitals to install not only capital equipment but also a new/extended clinical program there. The project's progress has been discussed in December 2022 at the SMHS Advisory Council. | 2,104,121 | - |
| 215 - State Board of Higher Education | Dakota Digital Academy | 475,000 | 190,627 | 475,000 | - | - | Request carryover authority for any funding that may be unexpended as of 6/30/2023. Currently it is planned that all funds will be fully expended by this date, but in the case a planned project gets delayed we ask for the flexibility to carry any unspent funds as of 6/30/2023 into the 2023-25 biennium. | 475,000 | - |
| 215 - State Board of Higher Education | Space education and research initiative at the University of North Dakota | 10,000,000 | 2,147,632 | 3,742,310 | 4,110,058 | 4,110,058 | Supply chain issues on equipment, purchases have been 6-9 months out; lab configuration projects have been delayed due to capacity in UND facilities and contractors to complete projects; some delays because of changes in project configuration due to inflation | 10,000,000 | (0) |
| **Totals** | | $136,179,121 | $13,308,497 | $32,227,517 | $101,593,653 | $101,593,653 | | $136,179,121 | ($0) |

UNIVERSITY OF NORTH DAKOTA

# Senate Appropriations Committee
## Education and Environmental Division

# UND School of Medicine and Health Sciences

Tuesday, March 7, 2023

Joshua Wynne, M.D., M.B.A., M.P.H.
Vice President For Health Affairs and Dean

# Members of the Finance Team Joining On-Line

- Namil Choi, MBA, CPA
  - Associate Dean for Administration & Finance/Chief Operating Officer

- Terry Nelson
  - Director, Budget and Facilities Management

# Overview of Today's Presentation

- Status and accomplishments of the UND SMHS
  - What does the state get in return for its financial support?
  - Have we fulfilled the expectations of the citizens/legislature?
- Strategic direction going forward
  - Where we hope to go
- Opportunities and Challenges
- Budget requests and considerations
- Discussion/Questions

# Additional Material Provided for Background

- Executive Summary of the *Seventh Biennial Report 2023 – Health Issues for the State of North Dakota*
  - Required by North Dakota Century Code
  - Prepared by the UND North Dakota Healthcare Workforce Group and distributed on behalf of the UND SMHS and its Advisory Council
- One-page summary of the activities and accomplishments of the UND SMHS this past year

# Additional Material Provided for Background

- *We Do Drive the Future* brochure that highlights our philanthropic efforts focused on reducing student debt and securing endowed faculty chairs to help with recruitment and retention of faculty

# UND SMHS Budget Considerations

- UND SMHS is one of nine schools/colleges comprising UND.
- There are 11 campuses in the North Dakota University system but 12 academic unit line items in the legislative budget, as the UND SMHS traditionally has had a separate line in the budget (although an integral component of UND).
- The UND SMHS budget has two major components:
  - The formula funding component that is based on student credit hour production (similar to all other NDUS institutions)
  - A unique one that supports much (but not all) of the Healthcare Workforce Initiative, especially its residency expansion provision

# North Dakota's Healthcare Workforce Initiative Started in the 2011-13 Biennium

- Reduce disease burden → focus on population health
  - Masters and Ph.D. public health degree programs (coordinated public health programs at UND and NDSU)
- Retain more healthcare provider graduates for North Dakota
  - RuralMed Program

# Healthcare Workforce Initiative (HWI)

- Train more healthcare providers
  - Medical student class increased by 16/year (total of 64 additional)
  - Health sciences students increased by 30/year (total of 90 additional)
  - Resident (post-MD training required prior to practice) slots increased from a baseline of 97 ➔ 205 in FY2026 and beyond
    - Currently there are 35 residency slots supported by the HWI, projected to grow to 48 in FY2026
    - An additional 38 slots are funded by our clinical partners, projected to grow to 60 in FY2026 (public/private partnership)

# Healthcare Workforce Initiative (HWI)

- Improve the efficiency of the healthcare delivery system
  - Training in interprofessional healthcare teams
  - Developing “virtual care” approaches that bring the clinic to the patient rather than the other way around (especially important in rural areas)

# What Does the State Get In Return for Its Financial Support?

- **Education** of a spectrum of healthcare students ➔ Positive impact on **healthcare provider workforce in North Dakota** and the region
- **Research** that improves the quality of life for North Dakotans by reducing disease burden
- **Service** to North Dakotans in the healthcare realm, especially in rural regions (Center for Rural Health)
- **Economic impact**, as the UND SMHS generates about $2 for every $1 of appropriated funding

# UND SMHS Outcomes

| Metric | Percentile Rank |
|---|---|
| Percent of graduates practicing in rural areas | 99th |
| Percent of graduates entering family medicine | 93rd |
| Percent of graduates entering primary care | 98th |

Source: Association of American Medical Colleges Missions Management Tool 2023



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# Value of the School to North Dakota

- Providing healthcare professionals
  - 78% of Family Medicine Physicians
  - 50% of Physicians
  - 48% of Physical Therapists
  - 52% of Occupational Therapists
  - 39% of Physician Assistants
  - 47% of Medical Laboratory Scientists

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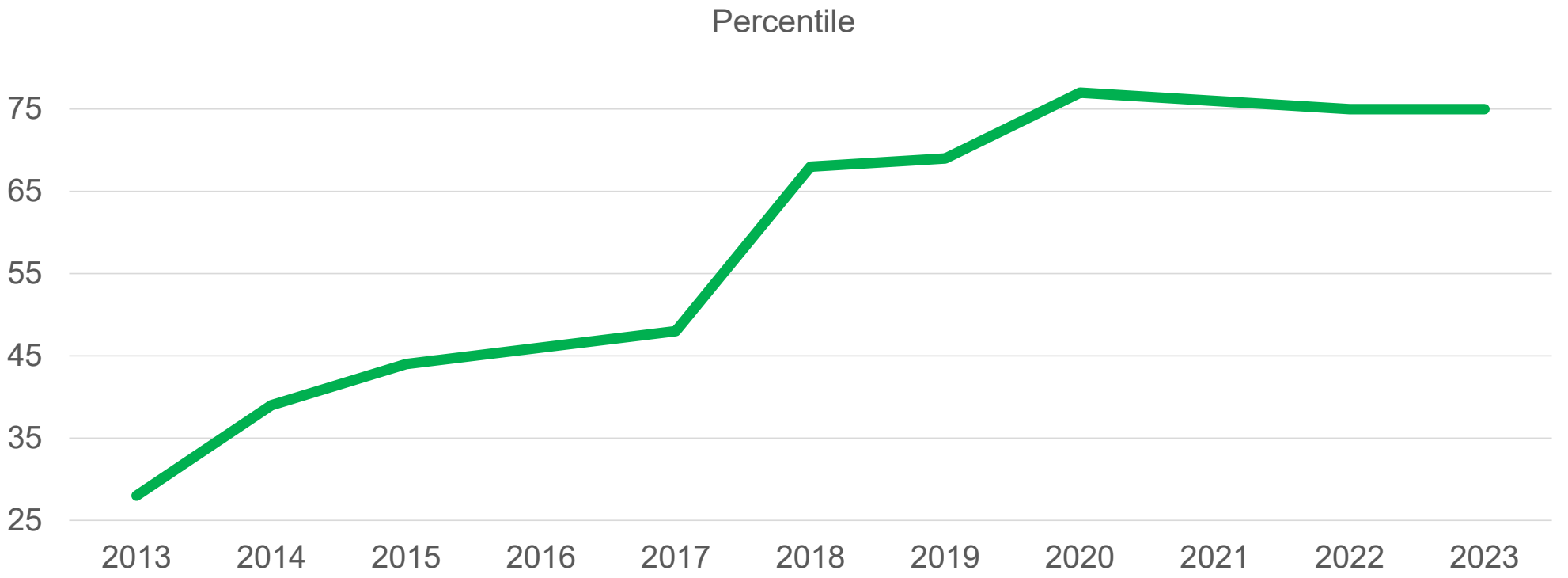
# Retention of UND SMHS Medical Student Graduates for Practice In-State




Source: Association of American Medical Colleges Missions Management Tool 2013-2023



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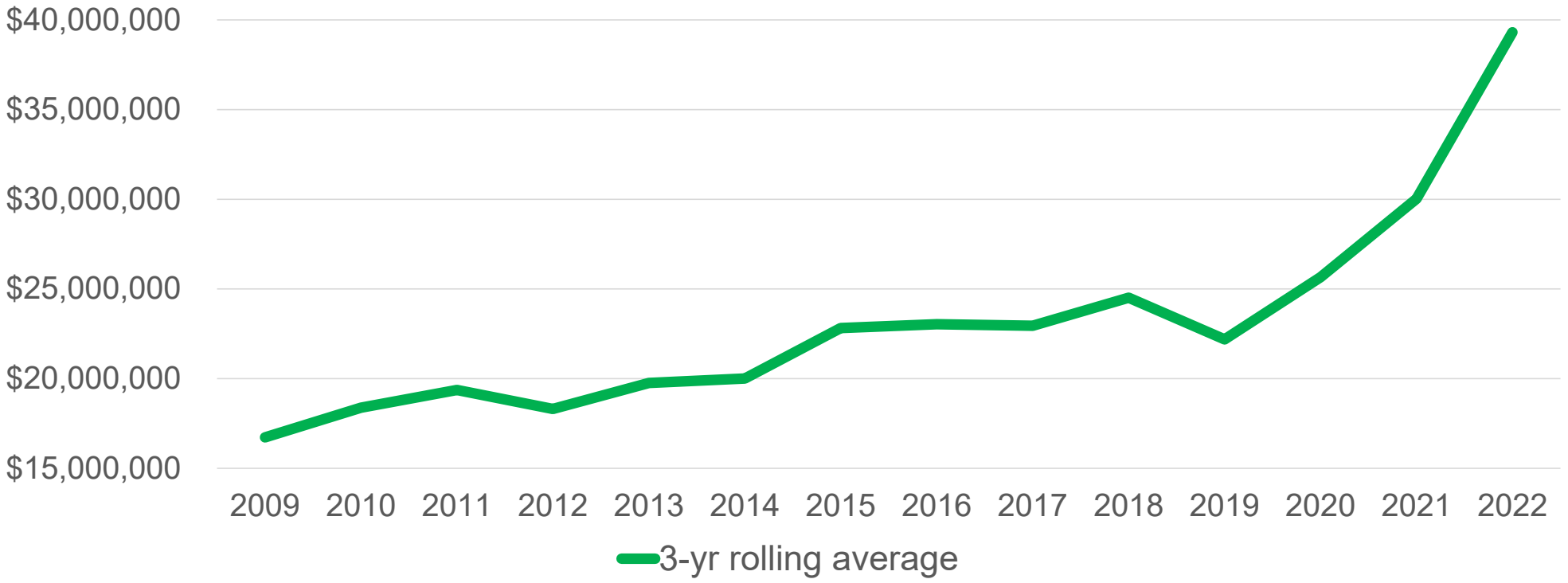
# Service to the Community

- RuralMed
- Rural Opportunities In Medical Education (ROME)
- Center for Rural Health
  - SCRUBS Academy and camps
- Rural residencies
- SIM-ND
  - Provides simulator training in vans to each quadrant of the state

# Research Programs

- We focus on studying diseases of relevance to North Dakota
  - Alzheimer's and other neurodegenerative diseases
  - Diseases of aging
  - Cancer
  - Infectious diseases (vector-borne)
  - Opioid addiction
  - Epigenetics

# UND SMHS Sponsored Funding



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# Has the UND SMHS Fulfilled the Expectations of the Citizens/Legislature?

The UND SMHS is the only institution within NDUS to have its **purpose** defined in ND Century Code (NDCC 15-52-01):

"The primary purpose of the University of North Dakota School of Medicine and Health Sciences is to educate physicians and other health professionals for subsequent service in North Dakota and to enhance the quality of life of its people. Other purposes include the discovery of knowledge that benefits the people of this state and enhances the quality of their lives."

# Where UND SMHS Is Headed

- The “What” will remain unchanged
  - Educate
  - Discover
  - Serve
- The “How” will change dramatically
  - Educate – More hybrid learning (but tough to teach team and procedural approaches virtually)
  - Discover – Big focus on translational (“bench to bedside”) research
  - Serve – Bring medical care to the patient, rather than have the patient come to a medical care facility
- The “Who” will change too
  - More diverse and inclusive healthcare workforce

# Challenges

- Because of the expansion of our research enterprise, the availability of additional dry and wet lab space is beginning to become an issue
- Growth of undergraduate teaching also is straining available teaching space in the Grand Forks building
- Attracting and retaining talent
- Limited opportunities to expand class size further due to the saturation of clinical sites with our trainees
- Relatively homogeneous patient population
- Student well-being issues specifically related to the pandemic

# UND SMHS Budget Requests – General

- Application to the SMHS of whatever is decided on specific budget aspects for the other schools and colleges in the NDUS
  - Salary increase pool including covering tuition-funded portion
  - Health insurance premiums
  - Salary equity pool
  - Potential adjustment to the SCH formula to cover increased operational expenses
  - Limits on tuition as outlined in engrossed HB 1003

# UND SMHS Budget Requests – Specific

- Application to the SMHS HWI funding line of whatever is decided for the NDUS regarding the salary increase pool and health insurance premiums
- Holding the UND SMHS harmless if the proposed Senate Concurrent Resolution No. 4019 regarding the mill levy were to go into effect
  - Potential negative impact of almost $11M/biennium

# Request for Salary Increase for HWI Funding
($ in Millions)

| | 2021-23 | Request 2023-25 | Change |
|---|---|---|---|
| Faculty/Staff | $3.9 | $4.2 | $0.3 |
| Resident | $3.9 | $4.2 | $0.3 |
| Operations | $2.9 | $2.9 | $0.0 |
| Total | $10.7 | $11.3 | $0.6 |

Also request coverage for health insurance premium increases

# UND SMHS Budget Requests

| | General Fund | GF - HWI | Total |
|---|---|---|---|
| **Base Funding** | | | |
| Base budget 2021-23 | $57,446,808 | $10,676,150 | $68,122,958 |
| Base adjustment | 1,861,841 | | 1,861,841 |
| Cost to continue salaries | 389,953 | | 389,953 |
| General Fund before Executive Proposal | 59,698,602 | 10,676,150 | 70,374,752 |
| **Adjustments in Executive Budget** | | | |
| 6%/4% Salary Increase | 3,368,540 | | 3,368,540 |
| Health Insurance Increases | 862,571 | | 862,571 |
| Equity salary pool | 1,942,905 | | 1,942,905 |
| General Fund before UND/NDUS Proposal | 65,872,618 | 10,676,150 | 76,548,768 |
| **Adjustments proposed by UND/NDUS** | | | |
| Inflationary increase of 7.5% | 4,477,395 | | 4,477,395 |
| General Fund before SMHS Proposal | 70,350,013 | 10,676,150 | 81,026,163 |
| **Adjustments proposed by UND SMHS** | | | |
| 6%/4% applied to HWI funding | | 633,360 | 633,360 |
| Health Insurance Increases for HWI | | 162,182 | 162,182 |
| General Fund Grand Total | $70,350,013 | $11,471,692 | $81,821,706 |



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# Senate Concurrent Resolution No. 4019

*"A concurrent resolution to repeal section 10 of article X of the Constitution of North Dakota, which imposes a statewide property tax levy of one mill for support of the state medical center* [SMHS] *at the University of North Dakota; and to provide an effective date."*

- If the CR is passed and signed, it will be subject to popular vote during the general election in 2024 and thus potentially impact the funding of the SMHS during the later part of the current biennium

# Summary – Specific UND SMHS Budget Requests

- Application to the SMHS HWI funding line of whatever is decided for the NDUS regarding the salary increase pool and health insurance premiums
- Holding the UND SMHS harmless if the proposed Senate Concurrent Resolution No. 4019 regarding the mill levy were to go into effect
  - Potential negative impact of almost $11M/biennium

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## UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE & HEALTH SCIENCES

# HEALTH EDUCATION AND HEALTHCARE IN NORTH DAKOTA

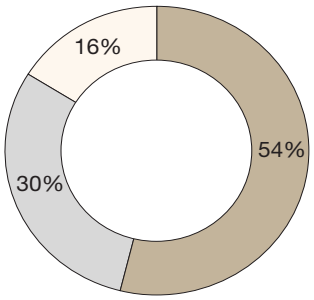
Late in 2022, the UND School of Medicine & Health Sciences (SMHS) released its annual report *Vital Signs* and the *Seventh Biennial Report on Health Issues for the State of North Dakota*. The two publications not only give North Dakotans an assessment of the current state of their overall health and that of their healthcare delivery system, but the healthcare workforce education ongoing at the SMHS.

As the key charts and data points below from the two documents suggest, the SMHS is serious about keeping its promise of maintaining its mission of education, discovery, and service to the people of North Dakota.

## Our 2021–23 biennial budget is $220,300,000

The majority of funds comes from non-state sources such as grants, contracts, patient revenue, and tuition. Notice that for every $1 appropriated to the School by the Legislature, the School generates about $2 in grants, contracts, tuition, and clinical revenues.

**Estimated Expeditures**
**$217,300,000**

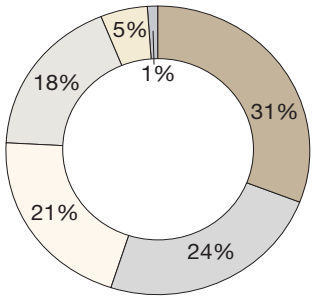



**54%** SALARIES $116,500,000

**30%** OPERATING AND EQUIPMENT $65,000,000

**16%** FRINGE BENEFITS $35,800,000

**Estimated Revenue**
**$220,300,000**




**31%** STATE $68,100,000

**24%** GRANTS AND CONTRACTS $52,700,000

**21%** LOCAL AND CLINICAL $46,400,000

**18%** TUITION $40,900,000

**5%** MILL LEVY $10,600,000

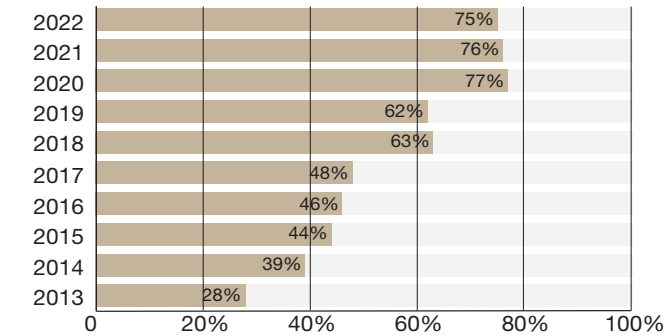
**1%** GIFTS AND ALUMNI $1,600,000

### EDUCATE

Having graduated more than 300 health providers in 2022, the SMHS claims more than 1,000 current health professions students, nearly 300 of whom are medical students. As the chart shows, since 2013, our School has moved from the lower percentile to one of the top percentiles among American medical schools retaining their graduates for in-state practice.

**Retention of UND SMHS Medical Student Graduates for practice in-state**

Percentile rank (compared with other medical schools)




Source: Missions Management Tool, 2022 AAMC

**Residency Training**

This year, 66 UND SMHS medical students successfully matched with residency programs. In total, 41 percent of the MD Class of 2022 matched into primary care specialties of family medicine, internal medicine, obstetrics & gynecology, and pediatrics.

**Residency or fellowship training is provided throughout North Dakota in 10 specialties:**

- Family Medicine (Bismarck, Fargo, Grand Forks, Hettinger, Minot, and Williston)
- Internal Medicine (Fargo)
- Neurology (Fargo)
- Orthopedic Surgery (Fargo)
- Psychiatry (Fargo)
- Surgery (Fargo, Grand Forks)
- Transitional (Fargo)
- Geriatrics (Fargo)
- Hospitalist (Bismarck)
- Hematology-Oncology (Fargo)

(A new Pediatrics Residency Program, based in Fargo and managed by UND, was approved in 2022.)

**Rural training programs:**

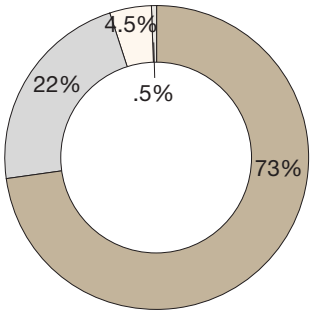
- Family Medicine in Bismarck (Fort Yates), Fargo (Valley City, Hillsboro, and Wahpeton, N.D., and Detroit Lakes and Perham, Minn.), Hettinger, Minot (Belcourt, Garrison), and Williston
- Rural Surgery Track (Minot, Hettinger, Rugby, Williston, and Fargo, N.D., and Perham, Minn.)
- Psychiatry (Rural Outreach to Dickinson, Williston, Devils Lake, Jamestown, Valley City, and New Town, plus Telemedicine)

## DISCOVER

Areas of research strength include: aging, cancer, health disparities in rural and American Indian communities, infectious disease, and neurodegenerative disorders. According to the SMHS Office of Research Affairs "Sponsored Projects Awards" report, the SMHS won a total of 104 research awards in fiscal year 2022 from external agencies like the National Institutes of Health, Centers for Disease Control & Prevention, National Science Foundation, and other universities and foundations totaling a record **$48,651,717**.

**FISCAL YEAR 2022 TOTAL FUNDING BY SPONSOR TYPE $48,651,717**

Total number of proposals 155
Total number of awards 104




**73%** FEDERAL $35,486,062

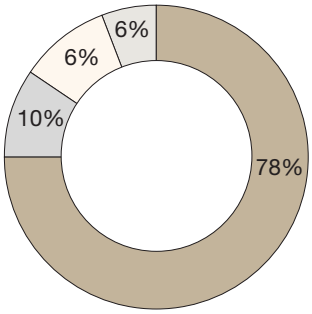
**22%** STATE $10,923,316

**4.5%** OTHER* $2,129,839

**.5%** FOUNDATION $112,500

**FISCAL YEAR 2021 TOTAL FUNDING BY SPONSOR TYPE $38,476,968**

Total number of proposals 207
Total number of awards 126




**78%** FEDERAL $29,921,538

**10%** STATE $4,004,920

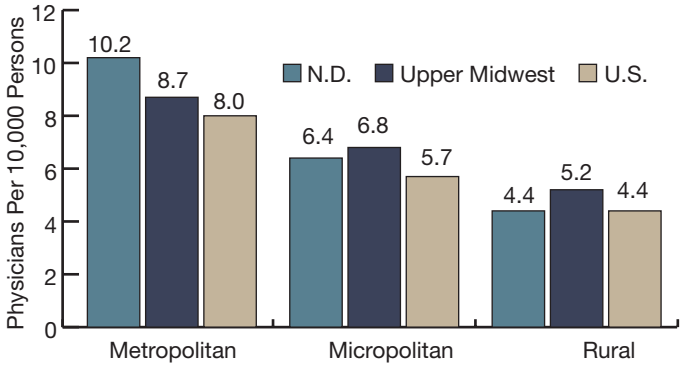
**6%** FOUNDATION $2,356,000

**6%** OTHER* $2,194,510

* Private nonprofit, international, private for profit, other governmental, etc.

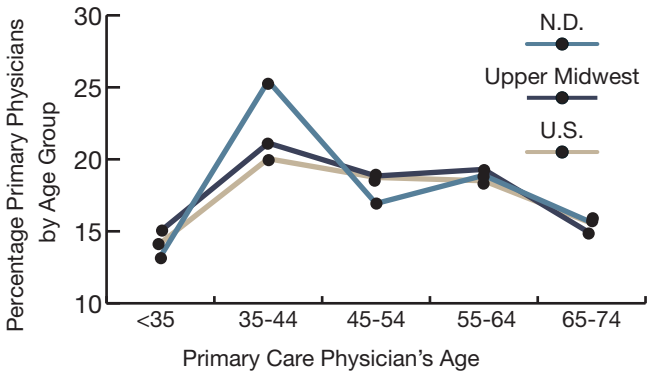
## SERVE

The practicing-primary-care-physician-to-10,000-population ratios are lower for rural N.D. counties, relative to the rest of the Upper-Midwest, but higher for metropolitan counties in North Dakota, relative to the rest of the Midwest and the nation.




Primary care physicians per 10,000 persons in North Dakota, with comparisons, 2020.

North Dakota's primary care physicians are less likely to be in the "under 35" age group and more likely to be in the "35 to 44" age group with respect to the comparison regions.




Percent of primary care physicians by age for North Dakota, with comparisons, 2020.

**"The primary purpose of the University of North Dakota School of Medicine and Health Sciences is to educate physicians and other health professionals for subsequent service in North Dakota and to enhance the quality of life of its people. Other purposes include the discovery of knowledge that benefits the people of this state and enhances the quality of their lives."**

—NORTH DAKOTA CENTURY CODE (Section 15-52-01)

UND SCHOOL OF MEDICINE & HEALTH SCIENCES
UNIVERSITY OF NORTH DAKOTA

SEVENTH BIENNIAL REPORT | 2023

# HEALTH ISSUES FOR THE STATE OF NORTH DAKOTA

School of Medicine & Health Sciences
Advisory Council

Center for Rural Health
University of North Dakota
School of Medicine & Health Sciences

UND School of Medicine & Health Sciences
University of North Dakota

School of Medicine & Health Sciences

# Advisory Council

This *Biennial Report* was prepared by the UND School of Medicine and Health Sciences Advisory Council

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(Chair)
Northeast Campus Representative

**Joshua Wynne, M.D., M.B.A., M.P.H.**
(Executive Secretary)
Vice President for Health Affairs and Dean

**Thomas F. Arnold, M.D.**
Southwest Campus Representative

**Gretchen Dobervich**
North Dakota House of Representatives

**Robert Erbele**
North Dakota Senate

**Brad Gibbens, M.P.A.**
Acting Director of the Center for Rural Health, UND School of Medicine & Health Sciences

**Dean Gross, Ph.D., F.N.P.-C**
North Dakota Center for Nursing

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Department of Human Services Representative

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(Ex officio)
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VA Medical Center and Affiliated Clinics Representative

**Nizar Wehbi, M.D., M.P.H., M.B.A.**
North Dakota Department of Health

## Disclaimer

This *Biennial Report* represents the good-faith effort of the UND School of Medicine and Health Sciences and its Advisory Council to provide current and accurate information about the state of healthcare in North Dakota. Numerous sources were used in gathering the information found in this *Report*. We welcome corrections, which we will incorporate in subsequent editions of the *Biennial Report*.


## Acknowledgement

We acknowledge the exceptional contributions of the following individuals in the preparation of the *Biennial Report*: Mandi-Leigh Peterson, Dr. Karen Bernhardt, Dr. Kristen Leighton, Dr. Jon Starkweather, and Sonja Bauman of the North Dakota Healthcare Workforce Group; Dr. Joshua Wynne, UND Vice President for Health Affairs and Dean, School of Medicine & Health Sciences; Dr. David Relling, Associate Dean for Health Sciences; Dr. Jana Zwilling and Dr. Rhoda Owens of the College of Nursing and Professional Disciplines; Brian Schill of the Office of Alumni and Community Relations; and Laura Stutrud of Information Resources.

Cover photo courtesy of Anzley Harmon, ND Tourism.

# EXECUTIVE SUMMARY*

North Dakota, like the rest of the country, continues to grapple with a major healthcare delivery challenge—how to meet a burgeoning demand for healthcare services now and especially in the future with a supply of physicians and other healthcare providers that has not always kept pace with growing demand. The problem is exacerbated by the strain on healthcare workers from the SARS-CoV-2 (COVID) pandemic, potentially leading to "burnout" and departure of vital healthcare providers from the healthcare field. The need for healthcare workers is particularly important in rural and western parts of North Dakota, where there has been a shortage (especially of primary care providers) since the start of statehood. The data that were reviewed for this *Biennial Report* (and prior reports) illustrate two major long-standing problems in North Dakota. One problem is an inadequate number of healthcare providers; however, the larger problem is a maldistribution of providers. The data show that healthcare providers are disproportionately located in the larger urbanized areas of the state, leaving many rural areas with a shortage. Without direct intervention, the difficulty of providing adequate healthcare in North Dakota will worsen over the coming decades from the aging of the population (including aging and eventual retirement of the healthcare workforce) that will increase the demand for healthcare services in those areas.

However, unlike much of the rest of the country, North Dakota has been directly addressing its healthcare delivery challenges over the past decade through the implementation of a well-vetted plan for healthcare workforce development and improved healthcare delivery. That plan, the Healthcare Workforce Initiative (HWI), was an outgrowth of both the *First* and *Second Biennial Report on Health Issues for the State of North Dakota*. Phase I of the HWI, which began by increasing medical and health sciences class sizes along with increasing residency (post-MD degree training) slots, has already been fully implemented. Phase II of the plan, which includes further growth of residency slots, currently is being implemented. When fully implemented, the HWI should, in the future, decrease North Dakota's healthcare delivery challenges through attainment of its four goals: 1) reducing disease burden, 2) retaining more healthcare provider graduates for care delivery within the state, 3) training more healthcare providers, and 4) improving the efficiency of the state's healthcare delivery system through an emphasis on team-based care delivery approaches. To accommodate the substantial class size expansions associated with the HWI, a new University of North Dakota (UND) School of Medicine and Health Sciences (SMHS) facility was constructed on UND's Grand Forks campus. The building was completed in 2016 and is fully functional. The largest government-funded building construction project in the state's history, it was completed on time and on budget.

In accordance with the expectations specified in the North Dakota Century Code (NDCC 15-52-04), this *Seventh Biennial Report on Health Issues for the State of North Dakota* (*Biennial Report*) updates the first six reports with an assessment of the current state of health of North Dakotans and their healthcare delivery system, along with an analysis of the steps that need to be taken to ensure that all North Dakotans will continue to have access to high-quality healthcare at an affordable cost now and in the future.

* The full *Biennial Report*, along with all supporting data, is available at med.UND.edu/publications/biennial-report.

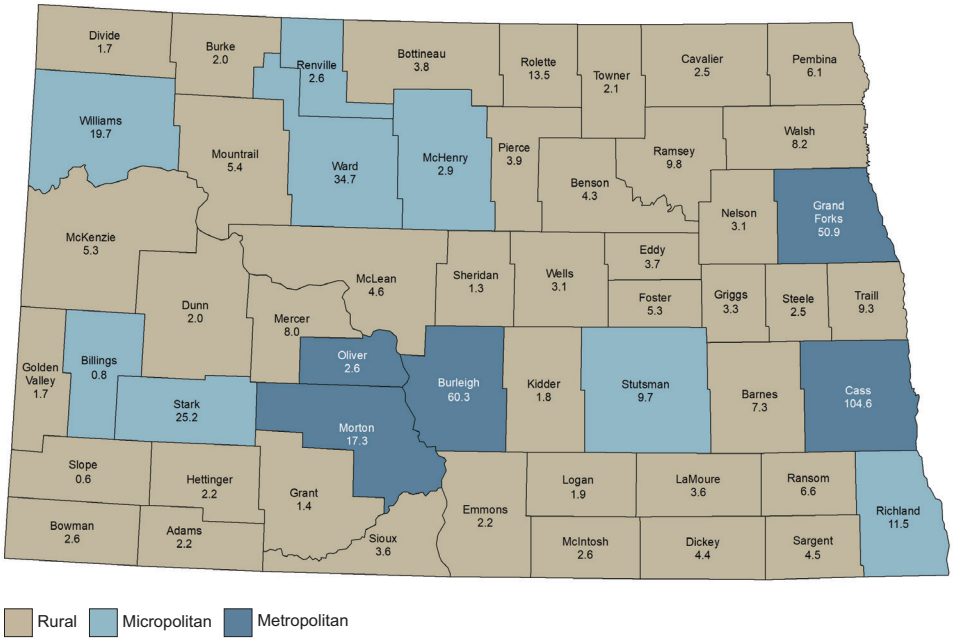



**Figure 1.1. Population densities (number of people per square mile) of metropolitan, micropolitan, and rural counties in North Dakota.**

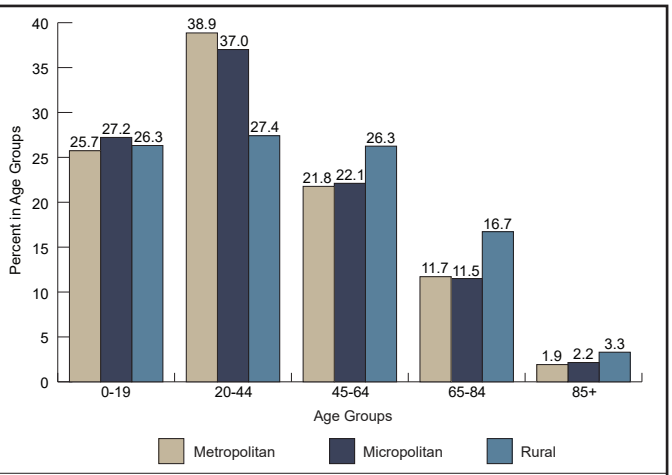



**Figure 1.3. Age of people in North Dakota by metropolitan, micropolitan, and rural counties, 2020.**

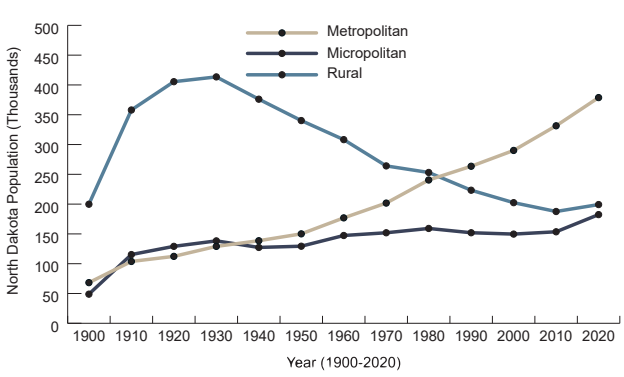



**Figure 1.10. Population in North Dakota from 1900 to 2020 by metropolitan, micropolitan, and rural counties.** Rural population decreased from 1930 to 2010, but has remained stable since then. Since 1990, metropolitan population has been higher than rural population. Population in rural North Dakota counties was up to three times as high as metropolitan or micropolitan populations into the 1930s. Then a sharp increase in metropolitan populations and decrease in rural populations caused the rural counties' populations to become less than the metropolitan counties by the 1980s.

**The Population of North Dakota:** The current *Biennial Report* begins with an updated analysis of the population demographics in North Dakota, utilizing the most recently available data. Standardized definitions are used to define the state's population—**metropolitan** to denote areas with a core population of 50,000 or more; **micropolitan** (or large rural) to denote areas with core populations of 10,000 to 49,999; and **rural** to denote areas with a population below 10,000 *(see Figure 1.1)*. Half of North Dakota's current population resides in metropolitan areas, with a little more than a quarter (26%) located in rural areas *(see Figure 1.10)*. This represents a dramatic change since only a few decades ago more than half of the state's population was located in rural areas. North Dakota is one of the least densely populated states in the country, ranking 48th in population density, and tied for fourth in the country in the percentage of its state population that is 85 years of age or older. Because demand for healthcare increases proportionally with age, demand for healthcare services is especially pronounced in North Dakota. Such needs will only increase as the state's citizens grow older. People in rural regions of North Dakota generally are older, poorer, and have less or no insurance coverage than people in non-rural areas, all of which are challenges to providing adequate healthcare *(see Figure 1.3)*. Rural regions continue to experience depopulation that will only exacerbate the current problem of healthcare access and delivery.

**Social Determinants of Health in North Dakota:** Various external factors, referred to as social determinants of health (SDOH), can affect health status and explain why some people are generally

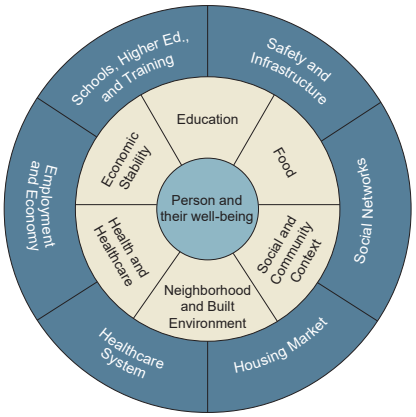



**Figure 2.1. Social determinants of health.** The innermost circle represents the individual, the middle ring represents an individual's immediate environment, and the outermost ring represents other outside influences on an individual's immediate environment.

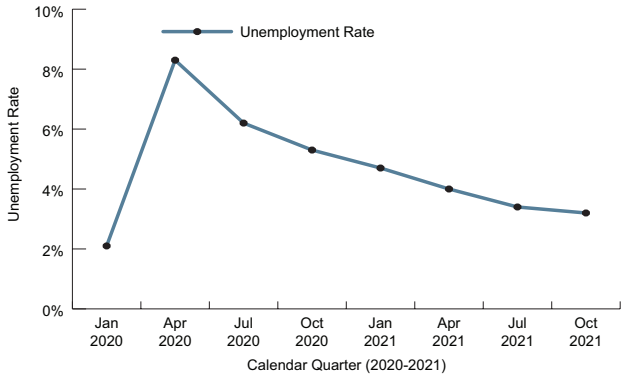



**Figure 2.2. North Dakota unemployment rate by calendar quarter 2020-2021.** North Dakota had an increase in the unemployment rate in the spring of 2020 followed by a steady decline.

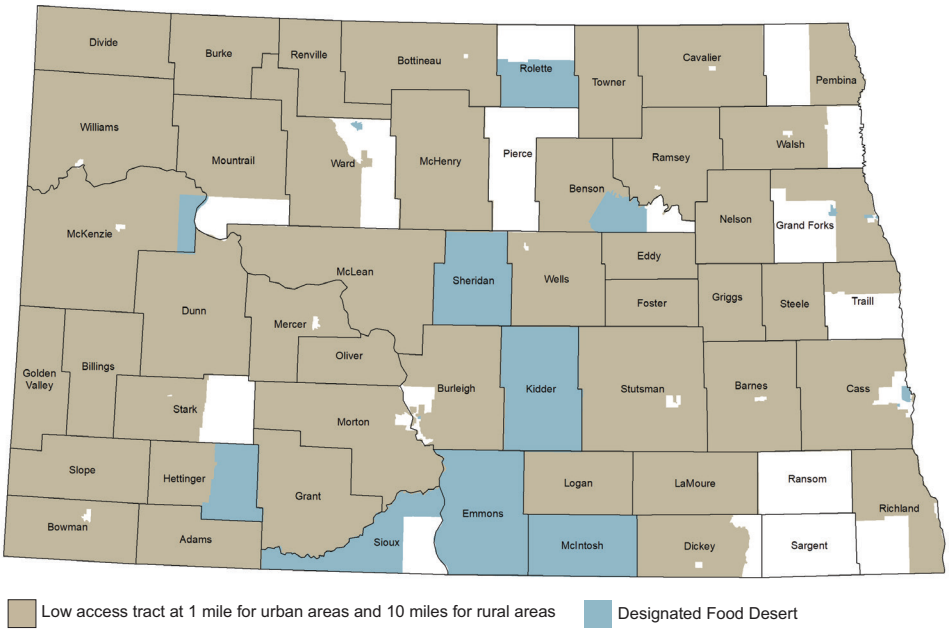



**Figure 2.5. Low food access and food desert designated census tracts in North Dakota, 2019.** Low food access is defined as 500 people and/or 33% of the population of a census tract living more than one mile from a grocery store in urban areas and more than 10 miles from a grocery store in rural areas. Food deserts are census tracts designated as low access and low income.

healthier than others *(see Figure 2.1)*. SDOH include conditions where people live, work, learn, and socialize. SDOH consider the various circumstances in which people are born, live, learn, work, socialize, play, and age that affect a range of health outcomes. Circumstances that may impact health outcomes of individuals include the current social structure, economic factors, and physical aspects of a person's environment *(see Figure 2.2)*. Environments include home, school, workplace, neighborhood, city, and other community settings where a person spends a significant amount of time. Resources that contribute to an enhanced quality of life for a given population are likely to have a significant influence on positive health outcomes of the population. Examples of quality of life enhancing resources include safe and affordable housing, access to education, public safety, availability of healthy foods, local health services, and environments free from life-threatening toxins. Six factors are recognized as core social determinants of health *(see Figure 2.5)*. They are the individuals' economic circumstances, their education, food access, the physical infrastructure of their environment, the social and community context in which they live, and their overall health and access to healthcare.

**The Health of North Dakota:** The health of North Dakotans, in comparison with the rest of the United States, is relatively good. When examining general health measures, North Dakotans are relatively healthier than the country as a whole. These general health trends include asthma, high cholesterol, and high blood

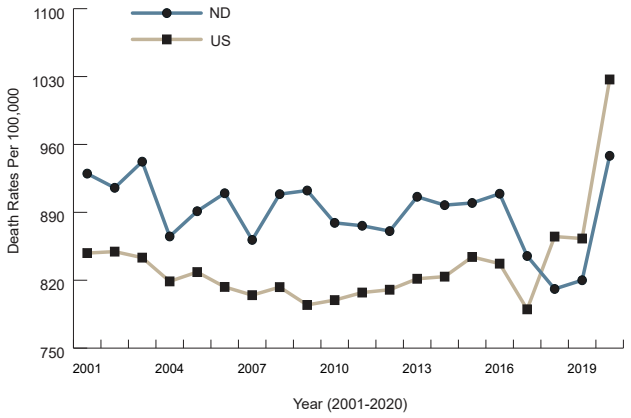



**Figure 3.6. Changes in North Dakota mortality rates from 2001 to 2020 compared with the United States, 2020.**

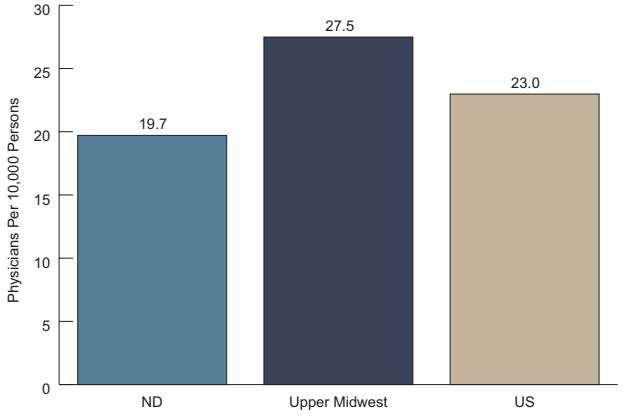



**Figure 5.2. Number of physicians per 10,000 persons for North Dakota, the Upper Midwest, and the United States (excludes resident physicians), 2019.**

**Table 3.2**
***Percent of adults reporting general health conditions, 2020.***

| | 2015 (590,349) | 2016 (591,299) | 2017 (588,563) | 2018 (580,621) | 2019 (586,392) | 2020 (584,823) |
|---|---|---|---|---|---|---|
| Disabled | 16.6 | 17.0 | NA | NA | NA | NA |
| Overweight/Obese | 61.5 | 62.8 | NA | 65.8 | 65.6 | 64.3 |
| General Health is Fair or Poor | 13.9 | 14.8 | 15.3 | 13.9 | 13.9 | 12.1 |
| 1+ Days Poor Health | 19.4 | 19.0 | 21.0 | 20.7 | 18.6 | 17.2 |
| 1+ Days Poor Phys. Health | 34.8 | 33.1 | 34.6 | 33.1 | 33.6 | 26.0 |
| 1+ Days Poor Mental Health | 33.0 | 32.5 | 34.3 | 36.2 | 34.2 | 34.7 |

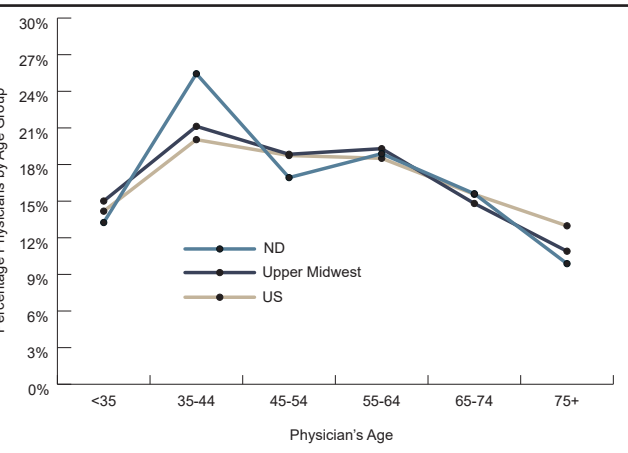



**Figure 5.4. Physician percent by age category with comparisons, 2019.**

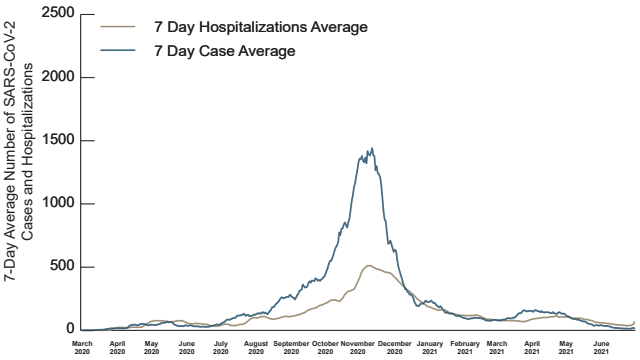



**Figure 4.1. Seven day average of SARS-CoV-2 cases and hospitalizations in North Dakota between March 1st, 2020 and June 30th, 2021.[2]**

pressure. In 2020 North Dakotans had higher rates of influenza and pneumonia compared to the country as a whole. North Dakotans have a slightly lower prevalence of diabetes than the rest of the United States and are less likely to report fair or poor health (*see Table 3.2*). However, North Dakotans tend to have a higher risk of some types of cancer. Additionally, North Dakota has led the nation in the number of deaths attributed to Alzheimer's disease. Previously, North Dakota had a higher mortality rate than the U.S. but that trend has shifted in a better direction in recent years. Nonetheless, the mortality rate in the U.S. and North Dakota has worsened recently, likely due both to the direct impact of the pandemic along with the indirect impact of the pandemic in delaying necessary care for other conditions (*see Figure 3.6*).

**SARS-CoV-2:** In early 2020, the state of North Dakota, like the rest of the country, was in the early phases of preparing for the arrival of a global pandemic, SARS-CoV-2. The virus's arrival in North Dakota was slightly behind the rest of the country and that allowed for the state to focus on readiness strategies including prevention and overall mitigation (*see Figure 4.1*). While these efforts were focused on public health and safety, they were being conducted at a point in time when no vaccines were available. The state adopted strategies based on public health best practices that focused on reducing the spread within the state of North Dakota while allowing the state to operate as normally as possible. As in the rest of the country, North Dakota saw a widespread outbreak prior to vaccines becoming available that resulted in taxing the health infrastructure within the state towards the end of 2020. When vaccines became available in 2021, the state had a comprehensive vaccination plan including identifying priority groups as well as establishing public health and health system partnerships to coordinate vaccinations. As

of this writing, North Dakota had 68% of the eligible population vaccinated with at least one round of vaccine compared to the United States at 80%.

**Physician Workforce:** The physician workforce in North Dakota has somewhat fewer physicians per 10,000 population than the United States as a whole or the Midwest comparison group (*see Figure 5.2*), and although the gap had narrowed over the past three decades, it recently has widened. Our physicians are more likely to be male than elsewhere in the United States (*see Figure 5.5*), although female physicians in North Dakota are more evenly distributed across the state when compared to the rest of the United States. Previously the physicians in North Dakota have been older when compared with the rest of the country, but a trend of younger physicians is beginning to emerge (*see Figure 5.4*). About one-fourth of the physician workforce is made up of international medical graduates, a little higher than the rest of the country. The UND SMHS is an important source of physicians for the state, accounting for 47% of the more than 1,000 physicians practicing in North Dakota who graduated from a U.S. medical school.

As of 2021, half of the physicians in North Dakota received some or all of their medical training (medical school or residency or both) in-state. The patient to physician ratio is not equally distributed across the state. Micropolitan areas have about twice as many patients per

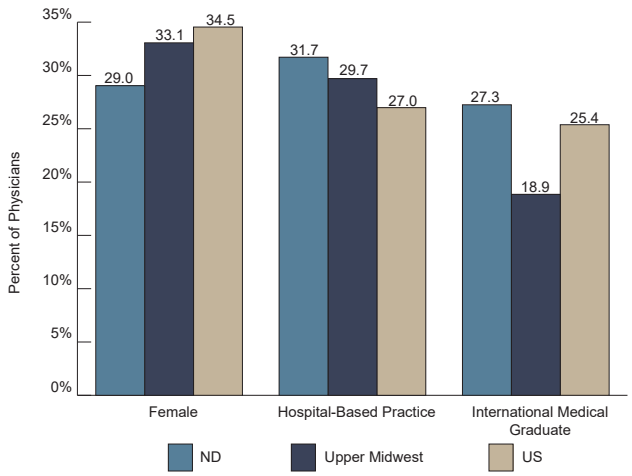



**Figure 5.5. Select physician characteristics with comparisons, 2019.**

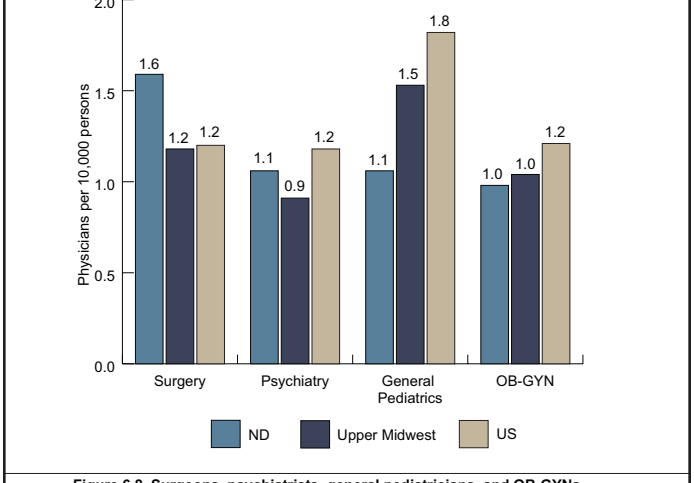



**Figure 6.8. Surgeons, psychiatrists, general pediatricians, and OB-GYNs per 10,000 persons in North Dakota with comparisons, 2020.**

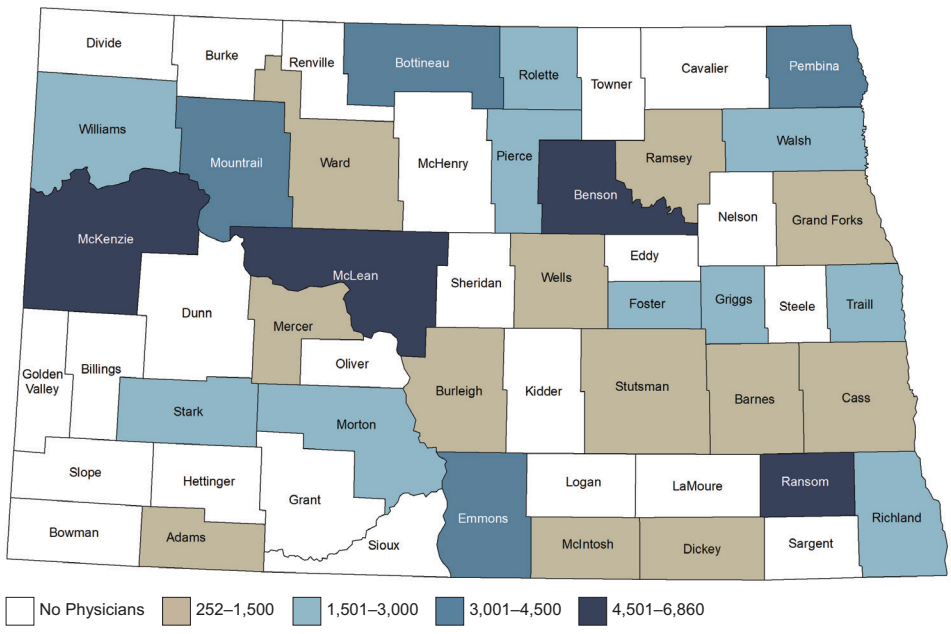



**Figure 6.1. Population per primary care physician in North Dakota, by county, 2021.**

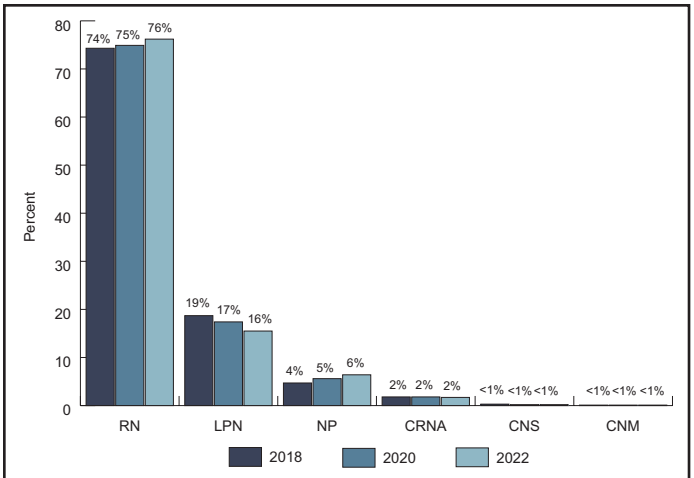



**Figure 7.1. Percent of licensed nurses in North Dakota by type and year, 2022.**

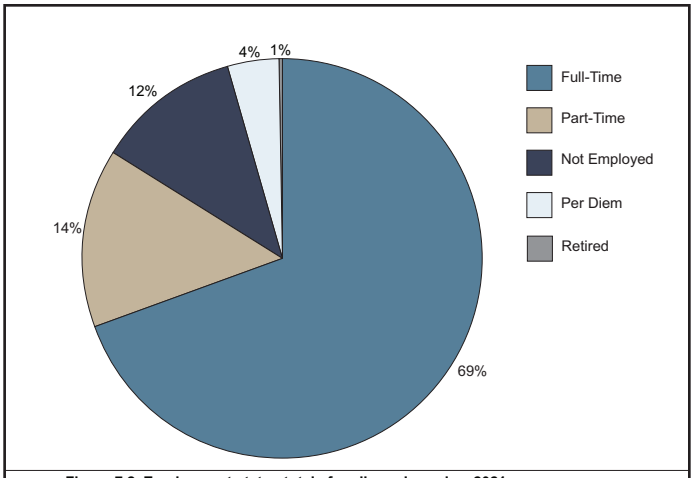



**Figure 7.2. Employment status totals for all nursing roles, 2021.**

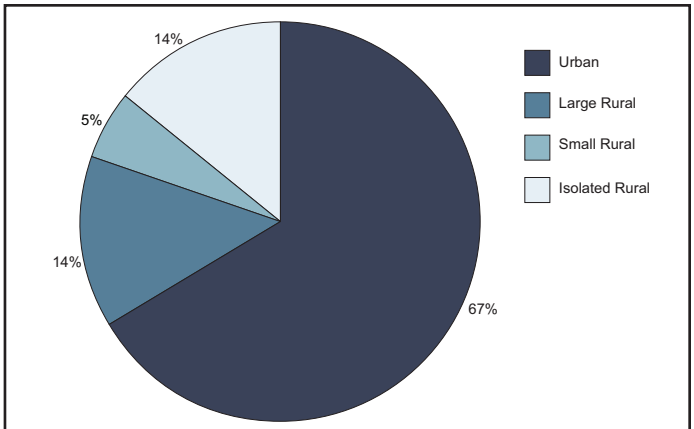



**Figure 7.3. Nursing employer location by rural designation, 2021.**

physician as metropolitan areas, while rural areas have about five times as many. Without the effects of the HWI, current estimates indicate a shortage of some 260 to 360 physicians by 2025, the consequence of a heightened need for healthcare services as the Baby Boom generation ages and from retirements in the aging physician workforce (one-quarter of the physicians in North Dakota are 65 years of age or older).

**Primary Care Workforce and Specialist Care Workforce:** The state's primary care physicians include family medicine, general internal medicine, and general pediatrics. Compared with the rest of the country, North Dakota has a similar number of primary care physicians when normalized to the population size. Their density is significantly higher than either comparison group in metropolitan regions. Although primary care physicians in North Dakota are more likely to practice in rural areas compared with specialist physicians, they still are twice as likely to be found in urban regions rather than rural areas *(see Figure 6.1)*. Residency training in North Dakota is an especially important conduit of primary care physicians, since nearly half (45%) of them have graduated from medical school at UND; more than half completed a residency within the state or did both. The impact of UND and in-state residency training is even more impressive for family medicine physicians, since more than three-quarters of them are in-state graduates.

North Dakota has relatively fewer specialists in certain specialties (including obstetrics/gynecology) than the Midwest or the rest of the United States *(see Figure 6.8)*. North Dakota has about the same relative number of psychiatrists as other Midwest states and the United States, although two-thirds of them work in the eastern part of the state, leaving the western parts of North Dakota with a relative shortage.

**Nursing Workforce:** The state's nursing workforce was examined using new licensure data. The state has shown an increasing trend of Registered Nurses (RNs) and Advanced Practice Registered Nurses (APRNs) with a decline in Licensed Practical Nurses (LPNs) from 2018 to 2022 (*see Figure 7.1*). The representation of APRNs between 2018 and 2022 was relatively stable with an increase from 7% to 8%. The representation of LPNs decreased from 19% to 16%, and RNs increased from 74% to 76%. Despite the decline in the percent of LPNs, there has been an increase of more than 2,500 nurses licensed in the state of North Dakota between 2018 and 2022. The increase in nurses overall was due to the increase of more than 2,200 RNs between 2018 and 2022. The current 2022 distribution of licensed nurses in North Dakota is represented by a majority of RNs (76%), followed by LPNs (16%) and APRNs (8%). A majority of RNs and LPNs were trained in state, with the highest numbers working in an outpatient setting. A majority of nurse practitioners were trained in North Dakota with the highest percentage working in primary care. Most nurses in North Dakota – regardless of nursing role – work full-time; 12% are unemployed (*see Figure 7.2*). The majority of full-time nurses are licensed as RNs or APRNs; however the percent of RNs employed full-time declined from 74% in 2018 to 69% in 2022. In 2022 61% of LPNs

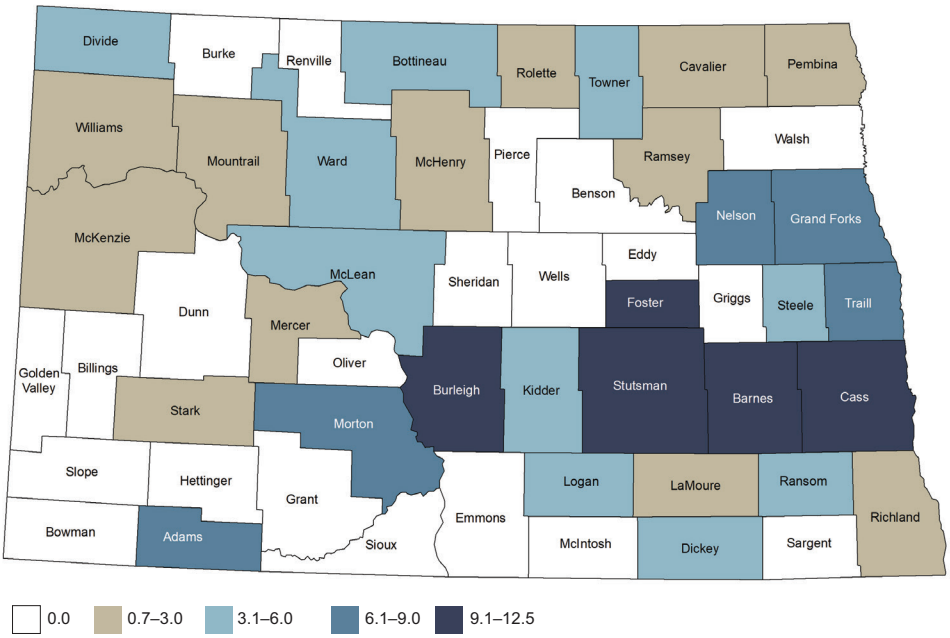



**Figure 8.5. Rate of counselors per 10,000 North Dakota residents, by county, 2021.**

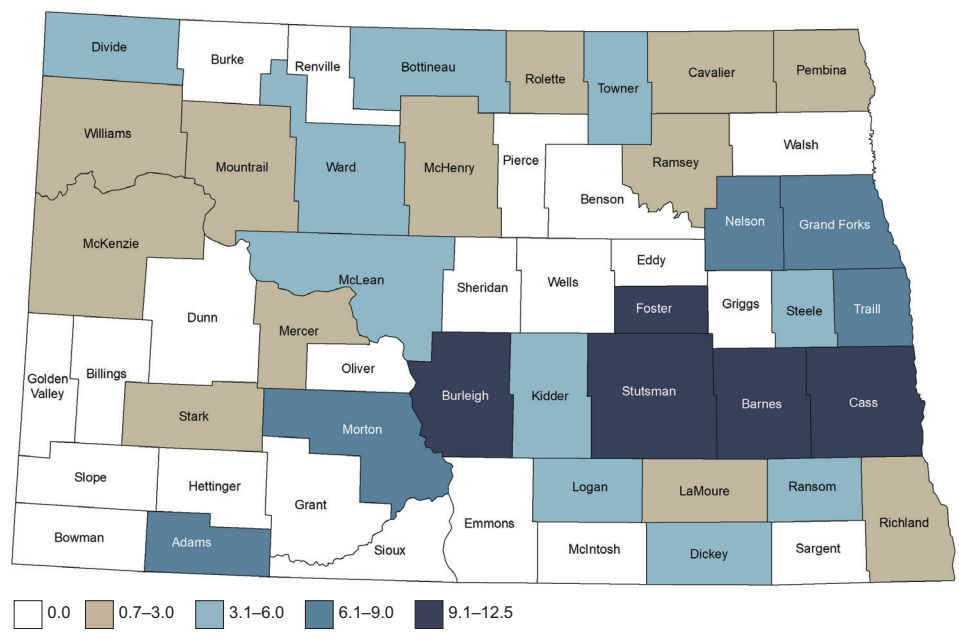



**Figure 8.6. Rate of licensed addiction counselors per 10,000 North Dakota residents, by county, 2021.**

were employed full-time and 19% of LPNs were not employed. Although a nursing presence is especially noteworthy in isolated rural regions of the state, the majority of nurses work in the urban areas (see *Figure 7.3*).

**Behavioral Health Non-Physician Healthcare Workforce in North Dakota:** Most behavioral health professionals and non-physician providers are found in urban areas. This includes psychiatrists, psychologists, counselors, licensed addiction counselors, social workers, occupational therapists, physical therapists, physician assistants, medical laboratory scientists, pharmacists, and dentists (*see Figures 8.5 and 8.6*). The largest behavioral health workforce occupation in North Dakota is social workers, with more than 2,000 licensed in the state. A majority of social workers are licensed bachelor's social workers (LBSW) with 66% of social work licenses,

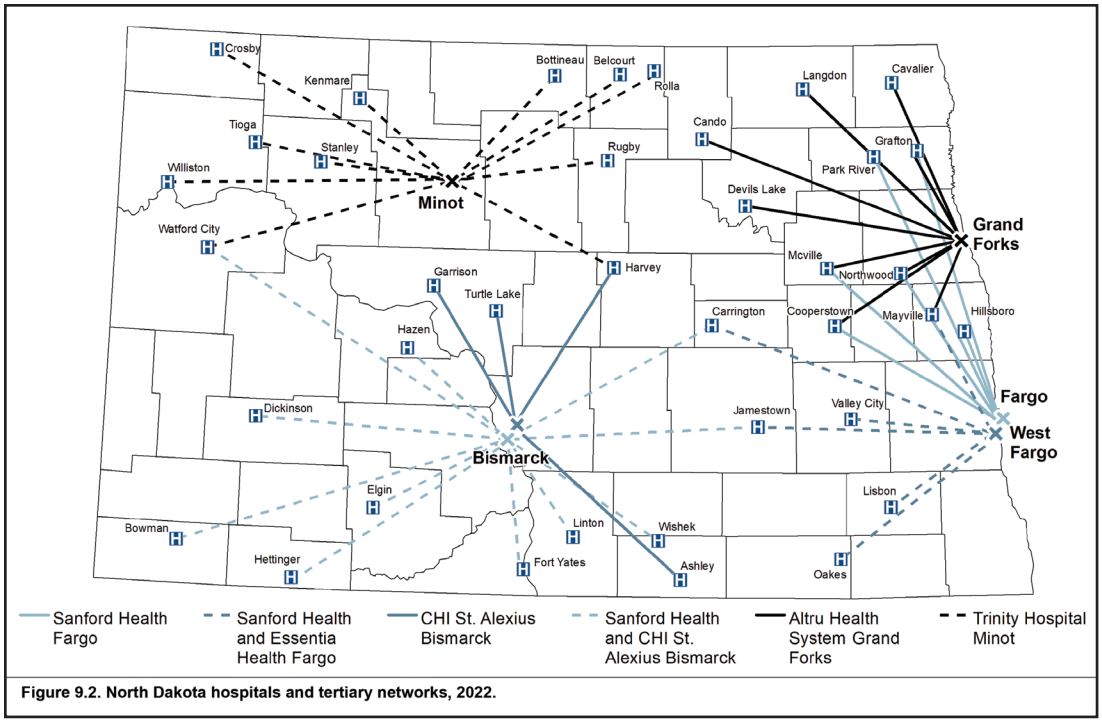



**Figure 9.2. North Dakota hospitals and tertiary networks, 2022.**

followed by licensed clinical social workers (LCSW) with 18%, and licensed master social workers with 16% of licenses. Of the three social work license types, LCSWs have specialized clinical knowledge and training in the areas of practice, and can also diagnose and treat mental, emotional, and behavioral disorders, conditions, and addictions. Of all behavioral health occupations in the state, the most common academic program offered at North Dakota institutions of higher education is social work. When comparing geographic distribution, approximately three-fourths of counselors and social workers are in urban areas. Despite this distribution in a majority in urban areas, the county level distribution of counselors and social workers shows representation of the workforce in a majority of counties. Addiction counselors are less likely to be in urban areas than their peers, with only 66% in urban areas. When examining those occupations with programs at the SMHS, the geographic distribution favors rural areas. Physical therapy professionals are split almost evenly between urban and rural with 51% in urban areas and 49% in rural areas. Medical laboratory scientists are represented in urban areas at 65% and isolated rural areas at 15%. Physician assistants and occupational therapist professionals are distributed with approximately 70% in urban areas and 30% in rural spaces.

**Healthcare Organization and Infrastructure:** Healthcare in North Dakota is delivered through more than 300 ambulatory care clinics, 52 hospitals, and 77 skilled-nursing facilities (*see Figure 9.2*). These facilities are supported by an array of emergency medical services (EMS) providers, trauma centers, 28 public health units, oral health providers, human service zones, and pharmacies.

**Table 10.1**
***North Dakota rankings associated with the Commonwealth Fund State Scorecard, 2022.***

| Category | 2018 | 2020 | 2022 |
|---|---|---|---|
| Access | 24th | 23rd | 23rd |
| Prevention and Treatment | 23rd | 20th | 38th |
| Avoidable Hospital Use and Costs | 9th | 11th | 16th |
| Equity | 27th | 11th | 25th |
| Healthy Lives | 26th | 15th | 32nd |
| COVID | - | - | 41st |

Generally, the further the facility is from a metropolitan area, the more its operation is threatened by financial and other pressures, including staff recruitment and retention challenges. Rural health organizations tend to be small in size but have a significant impact both on the health of individuals and the economic base of their communities. An example identified in the full report demonstrated the importance of collaboration between health systems, public health, and other entities to provide vaccinations for SARS-CoV-2. For example, the collaboration between the Alerus Center, Altru Hospital, City of Grand Forks, North Dakota Department of Health, North Dakota National Guard, the University of North Dakota College of Nursing and Professional Disciplines, and the University of North Dakota Master of Public Health Program served the greater Grand Forks region to provide vaccinations for the public. This effort allowed the region to optimize the acquisition and delivery of the vaccine at one location that resulted in the delivery of over 37,000 vaccinations. This effort also focused on delivering vaccines to home-bound individuals who otherwise would not be able to travel to the vaccine delivery site.

**Healthcare Policy:** Nationally, as well as locally, the health delivery system is going through profound change. Improvements in population health and a realignment of provider payments to incorporate those improvements is a new and fundamental reality. The quality and safety of care delivered in a healthcare system is directly associated with improving and maintaining overall health status. In a complex healthcare system, there are a number of concerns, such as the availability of providers; access to care and health services, technology, and treatment advancement; and the financial dimensions of affordability and payment. Each of these is a contributing factor in the overall strategy to be considered when reforming or redesigning the health system. In addition, the quality of care provided to the population and the patient outcomes produced are equally important facets of reform.

The statewide problem of unmet mental and behavioral health needs, especially related to the recent pandemic, is highlighted in the current *Biennial Report*. One approach already implemented through the HWI is to bring the (often rural) patient to the provider through the use of telepsychiatry. The UND Department of Psychiatry and Behavioral Science has implemented training in telemedicine-delivered clinical services for all of its residents so that they will be able to utilize this effectively in clinical practice.

The quality of healthcare delivered in North Dakota is as good as or better than much of the United States, but there appears to have been a decline in several measures in the past few years, particularly in the delivery of certain acute-care services. North Dakota (along with other upper Midwest states) generally provides high-quality care at relatively lower cost than other states in the United States. North Dakota ranked 29th in state health system performance in the country in a recent assessment undertaken by the Commonwealth Fund (down from 22nd in 2017) (*see Table 10.1*).

The *Biennial Report* concludes with a number of recommendations. First is continuing strong endorsement of the Healthcare Workforce Initiative especially given the accumulated data that verify its effectiveness. One component of the HWI—the RuralMed medical school scholarship program—is cited in particular for its positive results in rural physician recruitment. One suggestion for consideration by the 68th Legislative Assembly is to authorize funding so that any approved merit pool for North Dakota University System salaries can apply as well to personnel funded through the HWI. The budget submitted by the UND SMHS for the 2023–2025 biennium and endorsed by both UND and the State Board of Higher Education has been structured to permit ongoing funding of the HWI and a continuation of the various vital healthcare educational programs of the UND SMHS. The UND SMHS Advisory Council strongly supports the proposed funding.

A second major conclusion of the *Biennial Report* is that further attention and planning (by the healthcare enterprise as a whole, the North Dakota Legislature, the UND SMHS, and other stakeholders) are needed to address a variety of intertwined mental and behavioral health issues that are present throughout the state but are especially challenging in the more rural regions.

A final recommendation is for full implementation of the recently completed *Strategic Plan for Health* (https://bit.ly/NDStrategicPlanforHealth2021) and its ambitious goal for North Dakota to become the healthiest state in the nation. The three important initial steps for beginning this quest will be to raise awareness of the health implications of policy and legislative decisions, expand statewide public health expertise and leadership capacity, and enhance cross-sector collaboration and integration of the numerous entities involved in the healthcare enterprise within (and outside) the state.

AN ELECTRONIC VERSION OF THE COMPLETE REPORT IS AVAILABLE AT
MED.UND.EDU/PUBLICATIONS/BIENNIAL-REPORT

# WE DO
# DRIVE THE FUTURE

UND School of Medicine & Health Sciences

22/23 ACADEMIC YEAR

UND UNIVERSITY OF NORTH DAKOTA
SCHOOL OF MEDICINE & HEALTH SCIENCES

## OUR PURPOSE

**To educate physicians and other health professionals and to enhance the quality of life and discover knowledge that benefits the people of North Dakota and beyond.**

**VR MED SCHOOL TOUR**
Scan with your phone's camera app to see it for yourself!

# UND SMHS SNAPSHOT

Distinguishing Factors

### LEADING THE WAY TO A HEALTHIER NORTH DAKOTA

- Founded in 1905, SMHS is the only school of medicine and health sciences in North Dakota
- One of only 35 community-based medical schools in the country that neither own nor operate their own hospital
- Works in close partnership with hospitals across the state and relies on community faculty to educate students
- Helped implement a state-supported Healthcare Workforce Initiative
- 60 seats are targeted for students who are ND residents or have significant ties to the state

### MEDICAL SCHOOL PROGRAMS INCLUDE:

- Indians into Medicine (INMED), which helped SMHS achieve the top percentile in the nation of graduating MD students who identify as American Indian/Alaska Native
- Interprofessional education
- Simulation Center experience
- The Rural Opportunities in Medical Education (ROME) and Minot Integrated Longitudinal Experience (MILE), which provide training in rural communities during clinical rotations
- Several residency and fellowship programs, including new programs in Hematology-Oncology, Neurology, Pediatrics, and Geriatrics
- A new curriculum that gets students into the clinical setting sooner

> "Thanks to donor support, the debt load of our medical students now is substantially below the national average. Student support remains our top philanthropic goal. Our second is to support faculty through endowed chairs and professorships."

**DR. JOSHUA WYNNE**
**DEAN, SCHOOL OF MEDICINE & HEALTH SCIENCES**

UND SMHS

# BY THE NUMBERS

## OUR STUDENTS

**1,600**
STUDENTS & RESIDENTS

**75%**
OF PRACTICING FAMILY PHYSICIANS SERVING ND COMMUNITIES GRADUATED FROM SMHS OR COMPLETED AN IN-STATE RESIDENCY

**7**
MEDICAL STUDENTS IN THE INDIANS INTO MEDICINE PROGRAM EACH YEAR

**78**
MEDICAL STUDENTS ADMITTED EACH YEAR

## OUR SCHOOL

**208**
FACULTY MEMBERS

**11**
ENDOWED POSITIONS

**$50M**
IN RESEARCH CONDUCTED EACH YEAR

**9**
DEGREE PROGRAMS

**6**
HEALTH SCIENCES PROGRAMS

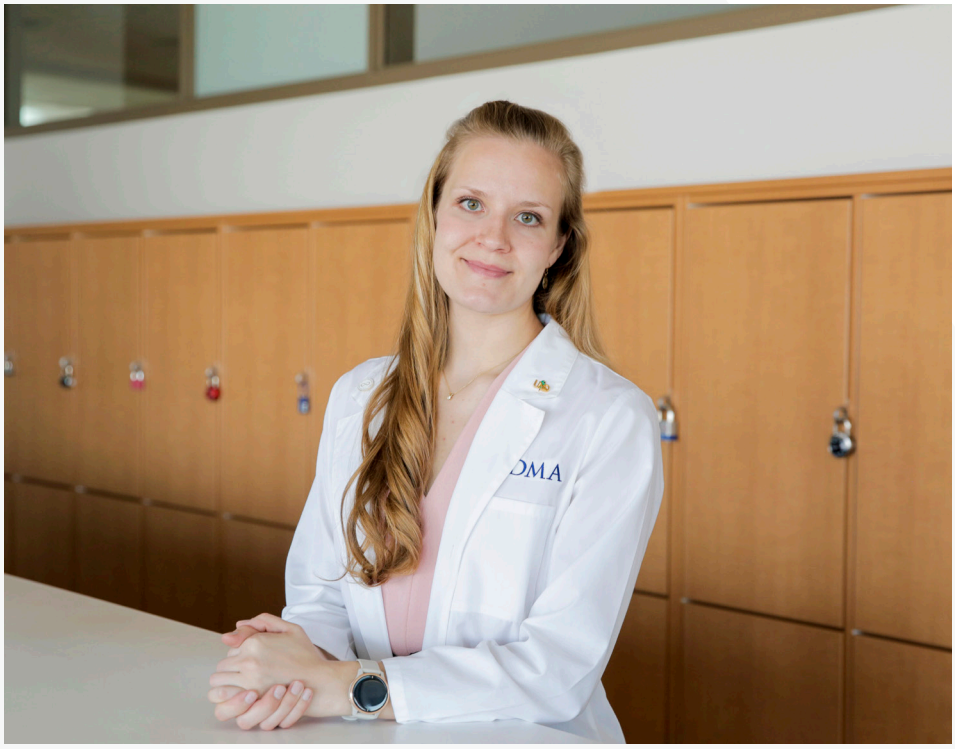
**2**
GRADUATE DEGREES

**1ST**
DOCTORAL PROGRAM AND DEPARTMENT OF INDIGENOUS HEALTH IN THE WORLD

## OUR SCHOLARSHIPS

**$172,000**
AVERAGE MEDICAL STUDENT DEBT

**$1,053,214**
IN SCHOLARSHIPS AWARDED TO HUNDREDS OF SMHS STUDENTS IN THE 21/22 ACADEMIC YEAR



### STUDENT SCHOLARSHIPS

Supporting students like Anja is a necessity. By creating more scholarships, our future leaders have more opportunities to advance in their education and careers.

# WE DO EQUIP THE FUTURE

## The bridge to common ground

**AS PRESIDENT OF THE MD CLASS OF 2023, ANJA SELLAND** sees her role as that of an advocate.

"One of the great things about our medical school is the opportunity we have for feedback, to share how things are going and to give suggestions for how to make things better. That has been a good challenge," Anja said.

While communication lines have traditionally been open between UND's School of Medicine & Health Sciences (SMHS) students and faculty, Anja says they have become even more so in recent months. Adapting to virtual learning and a new curriculum, on top of normal expectations of medical school, has required extra time and attention.

Anja wants to be a bridge to help her classmates not only survive, but thrive. At the end of every block, Anja and other class presidents share with SMHS leadership their classmates' concerns, present solutions and listen.

Growing up in Rugby, North Dakota, with a father running a rural medical practice and a mother pastoring a Lutheran parish also taught Anja how to serve as an advocate for those around her. Before pursuing medical school, Anja spent a year in Moscow, Russia, studying classical ballet, learning Russian, and teaching English. That experience gave Anja a different context for understanding the world around her and the patients she'll treat.

"Something that is a default viewpoint for me is not the norm [in Russia], but it taught me how I can be really good friends with people who have a different worldview and set of beliefs," she said. "**In relation to medicine, there are going to be patients who may disagree with me or might not follow my recommendations to improve their health, but you can always find common ground.**"

Anja is the recipient of the Dr. Christina Tello & Brent Skjerseth Scholarship, the Karen & Elvira Lynner Scholarship and the Dr. Henry Hobart Ruger Trust Grant. Now in her clinical rotations, Anja says these scholarships have encouraged her journey in studying medicine.

"Scholarships certainly provide financial relief, but they also give you a good sense that there's a community of people who are hoping for your success and acknowledging that this is a long, challenging career path. This kind of support really helps you get through medical school."

### FROM RUSSIA WITH LOVE

Learn more about Anja Selland in the North Dakota Medicine magazine.

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# WE DO BUILD THE FUTURE

Growing our own

**ANDREW MCLEAN, M.D., M.P.H.,** received his undergrad degree ('80) and medical degree ('87) from UND. He now serves as Chair of the Department of Psychiatry and Behavioral Science at UND's School of Medicine & Health Sciences (SMHS). His father's work as a rural North Dakota physician largely influenced Dr. McLean's decision to study psychiatry in medical school.

"My dad used to say that half of what he did was mental health, so I have a real soft spot for primary care providers who are trying to do the best they can to help their patients through mental health issues," said Dr. McLean.

Dr. McLean holds the Neuropsychiatric Research Institute (NRI) Lee Christopherson Endowed Chair position, one of six endowed positions at SMHS. Dr. Lee Christopherson, a renowned neurosurgeon who practiced in Fargo, was a friend of Dr. McLean's father, "so the title has a special meaning for me," Dr. McLean said.

The extra funding provided through this position has allowed Dr. McLean and the Department to continue pursuing improvements in behavioral healthcare and training across the region through collaboration with programs such as the Behavioral Health Bridge, the Mountain Plains Mental Health Technology Transfer Center and Project ECHO.

"**It really allows us to build for the future. Our state has done a nice job of supporting higher levels of education and institutions, but other sources of funding have dropped, making external funding like this even more important**," he said.

Keeping his father's experience in mind, Dr. McLean has worked closely with other departments to expand behavioral health education across disciplines so that every SMHS graduate can help address patients' mental health needs in their own profession.

"We're never going to grow enough mental health providers and psychiatrists, but we can work a lot smarter and help our colleagues be more efficient," explained Dr. McLean. "And then that opens up more access to psychiatrists for people who really need the help."

## ENDOWED FACULTY

**One professor can touch the lives of many** through the opportunities they create. Increasing support for our endowed faculty will allow us to:

- Attract and retain outstanding teaching and research faculty
- Draw top-notch students who want to work with leading scholars
- Secure research grants and private support
- Expand the University's profile and participation across networks
- Foster media attention and bring in national conferences

## ALUMNI SUPPORT

Not only has UND become one of the top producers of Indigenous health providers on the continent, but it now also boasts the first-in-the-world doctoral program in Indigenous Health and Department of Indigenous Health. The Shore's gift has made it possible for American Indian students to earn their medical degrees at SMHS and impact tribal populations for generations to come.

# WE DO
# INVEST IN THE FUTURE

The multiplier effect

**TO HEAR OPHTHALMOLOGIST AND UND GRADUATE JOHN SHORE** tell it, the story of how two New Hampshire natives ended up at the UND School of Medicine & Health Sciences (SMHS) back in 1973 has a little to do with luck — and a lot to do with former School Dean Ted Harwood.

As John put it, Harwood had let him interview in early August just before leaving for Southeast Asia.

"I never thought he would let me in. When I got the letter of acceptance from UND [in Vietnam], it sat on my bunk for five days and three combat missions before I opened it. I knew once I opened the letter our life was changed forever."

Finally opening the letter, John called Suzanne — at home in New Hampshire — that night and told her the good news.

"At that moment we promised we would never forget our good fortune. We promised each other that someday we would make a gift to UND for opening the door for us," said John. Now, decades later, the Shores contacted SMHS about establishing a scholarship endowment that would "make an impact" on UND students.

"My first year at UND was also the first year of the INMED program," John added. "So, I got to know some of the INMED students and learned where they came from. It was an exciting thing to watch them learn, earn a degree, and eventually be able to impact the health in their communities."

Impressed with the program's track record of success and multiplier effect of those who have trained at UND over the past 47 years, the Shores needed little convincing to choose INMED as the recipient of their gift.

"Being able to make a contribution that would help others get through the program was important," said John, who makes his home with Suzanne in Austin, Texas. "I've been a teacher all of my life and I've watched a lot of people come up from not having a lot of resources to being able to excel in their lives. **Being able to open the door for others was something that really interested us.**"

## LEARN MORE ABOUT INMED

UND Indians into Medicine Program at the School of Medicine and Health Sciences.

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## OPPORTUNITIES FOR
# IMPACT

### STUDENT SCHOLARSHIPS

**$25,000 +**
Endowed Scholarship

### FACULTY EXCELLENCE

**$1 million**
Endowed Professorship

**$2.5 million**
Endowed Chair

**$5 million**
Dean's Endowment

### PROGRAMS & FACILITIES

**$5,000**
Sponsor a locker

**$50,000**
Classroom

**$500,000**
Labs

**$1 million**
Learning Communities

**GIFTS CAN BE MADE IN FIVE-YEAR PLEDGES.**

## ENDOWMENT
# BASICS

Endowments can be created with gifts of cash, securities, and other assets. They can be established through one-time gifts, estate gifts, and multi-year pledges. Although the minimum amount required to create an endowment fund is $25,000, larger amounts are recommended or required for certain purposes. Gifts at these levels may offer donors naming opportunities.

**UNDalumni.org/SMHS**

UND ALUMNI ASSOCIATION FOUNDATION
LEADERS IN ACTION

"I am beyond grateful for your gift of a scholarship to support my goal of becoming a physician. North Dakota is my home so receiving assistance from you makes me more thankful than my words can express. Thank you for believing in me and aiding me on my path toward becoming the best physician I can be."

**KC BRAATEN**
**MD CLASS OF '23**

Scan with camera app to follow SMHS


**Joshua Wynne, MD, MBA, MPH**
Dean, School of Medicine & Health Sciences
Vice President for Health Affairs
701.777.2514 | joshua.wynne@UND.edu

**Jeff Dodson**
Director of Development
701.620.9968 | jeffd@UNDfoundation.org


REVISED 11.2022

I am joining Dr. Wynne for his testimony at the Senate Appropriations E&E Division at 11:15 am on 3/7/23.

Namil Choi, MBA, CPA, CMPE

Associate Dean for Administration and Finance/COO

School of Medicine and Health Sciences

University of North Dakota

North Dakota Senate Appropriations Education & Environment Division
Chairman Ron Sorvaag
March 8, 2023

**Re: House Bill 1003**

Chairman Sorvaag and members of the Senate Appropriations Education & Environment Division,

My name is Tena Lawrence and I am the Executive Vice President of the University of Jamestown. I am speaking today in favor of House Bill 1003, but with one amendment request regarding the North Dakota challenge grant program. I would like to ask for your consideration in adding the foundations of private, North Dakota-based universities as eligible applicants for this program. The reason is simple:

At the University of Jamestown, we serve North Dakota students. They are North Dakota-educated. And they are needed to fill critical workforce needs across the state.

**Leveraging Private Donations**

The decision to include private, North Dakota-based universities in the challenge grant program would allow our foundation to further leverage contributions from individuals—just as the public institutions do. Even when a donor desires to give to the University of Jamestown's foundation, ultimately, that same dollar given to a public university foundation is worth more. As we seek to raise funds from a highly overlapping and interconnected donor base, the University of Jamestown finds itself at a distinct disadvantage.

**Scholarships for Students**

The Matching Grants statute specifically supports "projects dedicated to the advancement of enhanced academics" which include investments in "research, scholarships, technology, endowed chairs, and educational infrastructure," while excluding scholarships for the benefit of athletics, campus facility repair projects, and new capital construction.

We propose including the University of Jamestown for projects dedicated exclusively to student scholarships, thereby eliminating any question regarding the eligibility of private university participation in this program. We believe funding for higher education in North Dakota should focus on funding students who are residents of North Dakota, and who attend a North Dakota college.

**Graduates for Workforce**

The University of Jamestown has 1,275 students in 44 majors, 3 masters, and 2 doctoral programs. UJ has approximately 250 employees and an economic impact in excess of $110m.

Our students are an integral part of our communities. Our retention of students in the state after graduation exceeds 70%.

UJ students are graduating with degrees in nursing, elementary education, business administration, exercise science, secondary education, civil and mechanical engineering, biology, accounting, criminal justice, and computer science, to name a few of our top majors. These graduates are filling jobs in critical-need areas. When workforce challenges abound, we should be prioritizing every effort to retain our high school students at North Dakota institutions of higher ed.

**Current Student Support**

Matching grant funding would not be the first public funding to support students at the University of Jamestown. Jimmie students access four of North Dakota's seven scholarship offerings. In fact, a recent data pull from the NDUS office shows that between 2020-2022, a total of $6.64 million, or 10% of North Dakota's total scholarship funds, are going to students at the University of Jamestown, the University of Mary, and Trinity Bible College. On average, $1.42 million is disbursed to U Mary students each year, $718,000 to students at UJ, and $72,000 to Trinity Bible College students. State dollars are already assisting private college students through our scholarship programs—because they are North Dakota students.

**A Note of Gratitude**

Before I close, I would like to also thank you, the Senate, for already including all accredited institutions of higher education in SB 2288, the nursing challenge grant program you passed earlier this winter. Nearly 250 students have graduated from the University of Jamestown with nursing degrees in the last 8 years, and continue to fill vital health care positions across the state upon graduating. We are hopeful this program will pass the House.

Looking at the current version of HB 1003 before you today, your colleagues in the House have also included the University of Jamestown in both the skilled workforce scholarship program and the pilot program assisting students who are pregnant or single mothers. Again, these programs assist North Dakota students, who ultimately join our workforce, no matter which school they select for their education.

We appreciate each opportunity the legislature has presented to support the state's students and meet our workforce challenges.

**Leveraging $1 Million**

HB 1003 now allocates $36 million to matching grants. We would like to ask for the University of Jamestown to be included in this program moving forward. To be clear, we do not wish to negatively impact any final allocation to the institutions currently included but would ask that any appropriation be included on top of the final appropriation considered.

The University of Jamestown believes it could harness $1 million in challenge grant funding, to leverage an additional $2 million in scholarships for its students.

In closing, I thank you for supporting this program over the past decade. Challenge grants are a wonderful tool for higher education in North Dakota. **We would greatly appreciate your consideration to include private institutions in the matching challenge grant program for scholarships for North Dakota students.**

Thank you for your time, and I would stand for any questions.

Tena Lawrence

Executive Vice President
University of Jamestown

Chair Sorvaag and members of the committee, good morning. My name is Andy Armacost and I serve as the President of the University of North Dakota. Today, you'll also hear from Vice President Karla Mongeon-Stewart and Student Body President Faith Wahl.

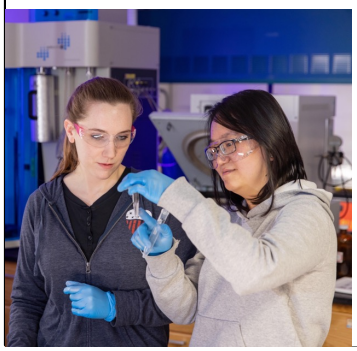
I appreciate this opportunity to share information about UND and to amplify a number of ideas presented in last week's presentation to general Appropriations by Chancellor Hagerott and his team at the North Dakota University System.

Our ***mission*** is to provide exceptional educational experiences that enrich the lives of North Dakotans and the global community through excellence in teaching, innovative research, and meaningful engagement.

Our ***vision*** is to inspire a sense of wonder, a love of discovery, and a commitment to serve.

Over the past year, the campus has been involved in the development of our new strategic plan, called **UND LEADS**. We are adopting new mission and vision statements to guide the activities on the campus. These important statements emphasize our commitment to the state and the students who arrive on campus, either physically or virtually. Our ***mission*** is to provide exceptional educational experiences that enrich the lives of North Dakotans and the global community through excellence in teaching, innovative research, and meaningful engagement. And our ***vision*** is to inspire a sense of wonder, a love of discovery, and a commitment to serve.

Today, we will share how UND contributes in so many ways to the State of North Dakota and its citizens, and how we plan to do so for the next biennium and beyond.

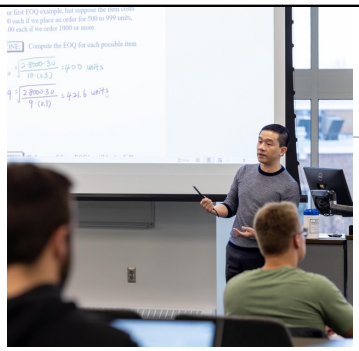


Sydney Menne
2023 Marshall Scholar

## Accomplishments

- National institutional recognition
- International student recognition
- Continued campus transformation
- Increased growth in student headcount
- 30% research expenditure growth plus two key DoD agreements

During the last biennium, the members of our campus have accomplished so much, and let me highlight a few notable achievements. National organizations, such as the American Council on Education, the International Town Gown Association, and the Western Interchange for Higher Education have bestowed their top honors on the university for its transformation and its commitment to the members of the campus and the Grand Forks community. Sydney Menne, a double major in mathematics and physics, earned a Marshall Scholarship for graduate studies in the UK. This is considered the pinnacle of academic achievement across the nation. We continue to follow our campus master plan to physically transform the campus, and we'll highlight later how we've done so using limited state appropriations. In spite of national trends of declining enrollment, we've seen an uptick in each of the last four years in the number of students we serve. And our trajectory in funded research has been strong, with extraordinary and sustained growth in research expenditures, growth that has been sustained in FY22.



## Challenges

- Inflationary impact
- Recruitment and retention of staff and faculty
- Climbing interest rates
- National enrollment decline and increase in competition
- Indigenous repatriation and holistic support to tribal needs
- Behavioral health needs for students, faculty and staff

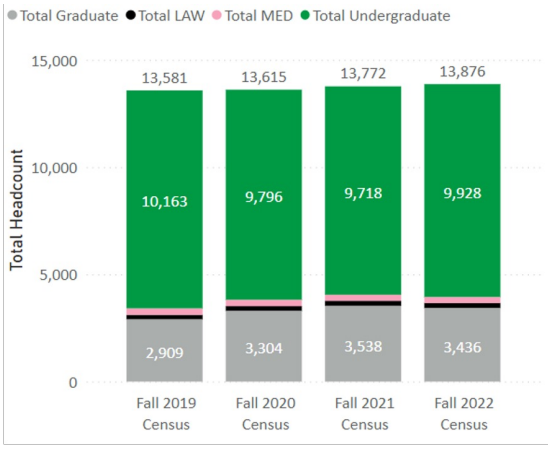
These are great examples of what's been happening on campus, but we are also facing a number of challenges. The historic rates of inflation have impacted both the cost to operate a college as well as a student's ability to pay for college. Attracting faculty and staff is strongly connected to what we pay them. When we combine pay scales that lag behind national and regional averages with the impact of inflation, we face daunting challenges in recruiting and retaining the talented members on our campuses. Cost of capital makes projects more expensive. The national decline in birthrate in 2008 will begin impacting campuses across the country in 2026, and we will not be immune from this, given the competitiveness of college admissions. A major area of commitment is to tribal nations across the region as we repatriate Indigenous ancestors from the campus to their tribal homes. Finally, the personal well-being of our campus members is an imperative, and the resources we have on the campus are insufficient to handle the growing demand.

## 2023-25 Goals and Plans

- Promote excellence in academic and co-curricular programs that prepare UND students for the workforce and for leadership
- Support the state in addressing shortages in key workforce areas
- Continue to expand university research to foster the sense of discovery and to support economic growth and diversification
- Grow partnerships across the state and region
- Strengthen our sense of community and well-being
- Continue consolidation and modernization of physical plant

As we head into the next biennium, we have a number of goals, including continuing to focus on the excellence in our programs and experience; helping the state with workforce challenges; nurturing the sense of innovation, discovery, and economic impact through our research programs; to continue developing key partnerships; to look out for all members of our community; and to continue our steady march toward a right-sized and modernized campus. The details we present today support these goals.

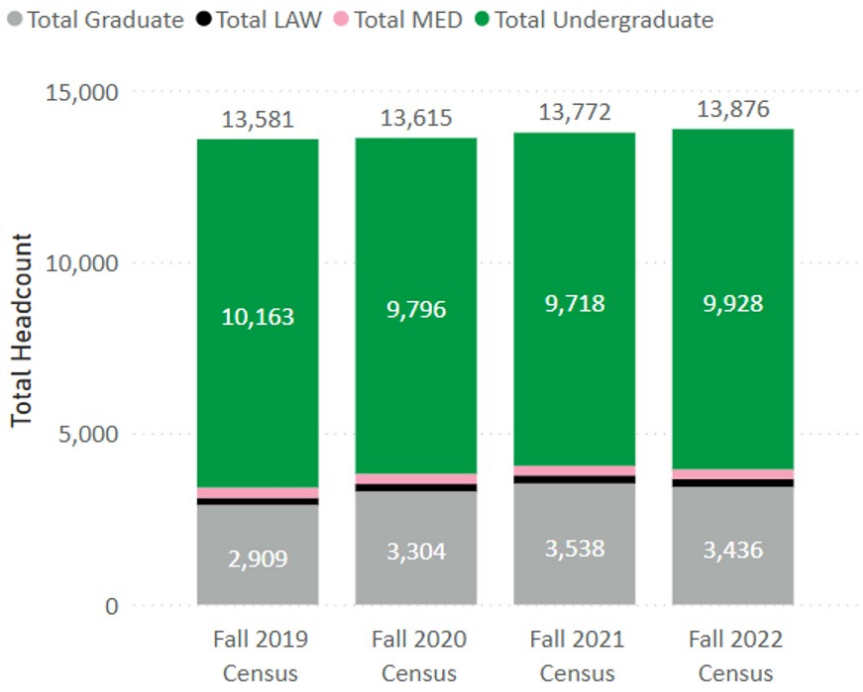
# UND Enrollment Trends




| Category | Fall 2019 Census | Fall 2020 Census | Fall 2021 Census | Fall 2022 Census | Difference Between Fall 2021 and Fall 2022 | % Change Between Fall 2021 and Fall 2022 |
|---|---|---|---|---|---|---|
| Total Graduate | 2,909 | 3,304 | 3,538 | 3,436 | -102 | -2.88% |
| Total LAW | 206 | 219 | 235 | 229 | -6 | -2.55% |
| Total MED | 303 | 296 | 281 | 283 | 2 | 0.71% |
| Total Undergraduate | 10,163 | 9,796 | 9,718 | 9,928 | 210 | 2.16% |
| **Total** | **13,581** | **13,615** | **13,772** | **13,876** | **104** | **0.76%** |

I mentioned enrollment trends, and here is a snapshot of the last four years. You'll see an uptick each year, with notable growth in our graduate programs. This has bucked the national trend, where college enrollment, according to the National Student Clearinghouse Research Center, dipped by 7.4% over the last two years. Our Admissions team and our academic departments have been doing wonderful work telling the story of the university and the value of a UND education.

# UND Enrollment Trends

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UND does not and cannot operate in isolation, and partnerships are critical to both the university and to the system. We actively look for ways to partner with the other institutions in the system. We have a number of active and developing 2+2 programs, where a student starts with a two-year associate degree and continues their bachelor's degree at UND, either on campus or online. We host system-wide research partnerships in the areas of space and biomedical research, opening up extraordinary opportunities for our students to be involved in research and discovery. We are doing the same with our partners at the Tribal Colleges, whether in the form of 2+2 agreements or program agreements that allow alignment of academic programs and transfer of academic credits.

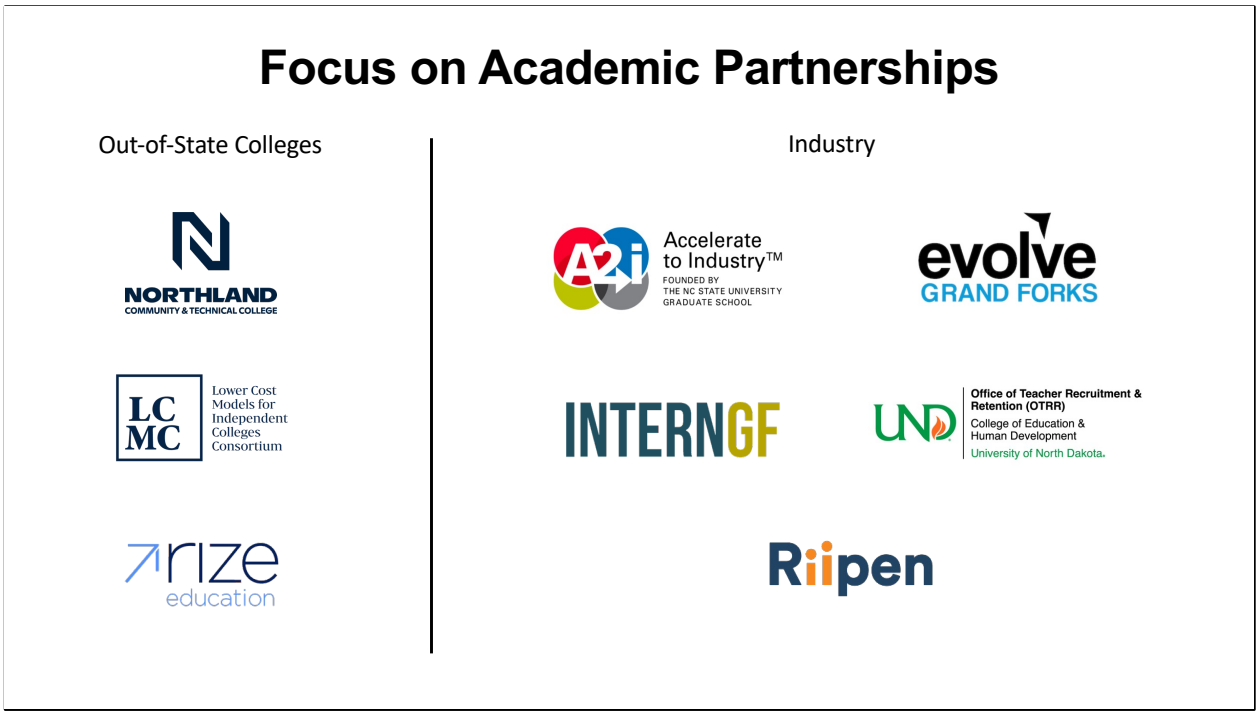
Of course, there is no partnership more important to us than that with NDSU. Whether in joint academic programs, research collaboration across many fields, or opportunities for faculty and staff growth, we continue to explore opportunities and create new frontiers in this essential partnership.

**Additional Notes on Collaboration Across NDUS**

- 832 UND undergraduate students with transfer information from NDUS institutions, Fall 2021, Source: University Analytics & Planning
- Through a unique partnership between UND and Lake Region State College (LRSC), students can prepare to transfer to UND while taking classes from both institutions and living on the UND campus
  - The LAUNCH! program prepares students who are not yet eligible for admission to UND — but meet admission requirements for LRSC — to seamlessly transition to UND after just one year
- Support NDUS institutional research programs
  - NASA Established Program to Stimulate Competitive Research (NASA EPSCoR)
  - North Dakota IDeA Networks of Biomedical Research Excellence (ND INBRE)

**Academic and Research Collaboration with Tribal Colleges**

- 2+2 Agreements: Cankdeska Cikana Community College
- Transfer Program Guides: UND has program guides for several institutions to aid in the transfer process
  - Mesabi Range College
  - Nueta Hidatsa Sahnish College
  - Sisseton Wahpeton College
  - Sitting Bull College
  - Turtle Mountain Community College
  - United Tribes Technical College




Outside the NDUS and tribal colleges, we continue to develop academic partnerships with universities across the region and nation. Of particular note is our support to a consortium of small, high-quality schools by offering our nationally-recognized online engineering degrees to students who are completing another degree at these colleges, often in disciplines like math and physics. For these students, this is typically their initial exposure to the state of North Dakota and what it has to offer.

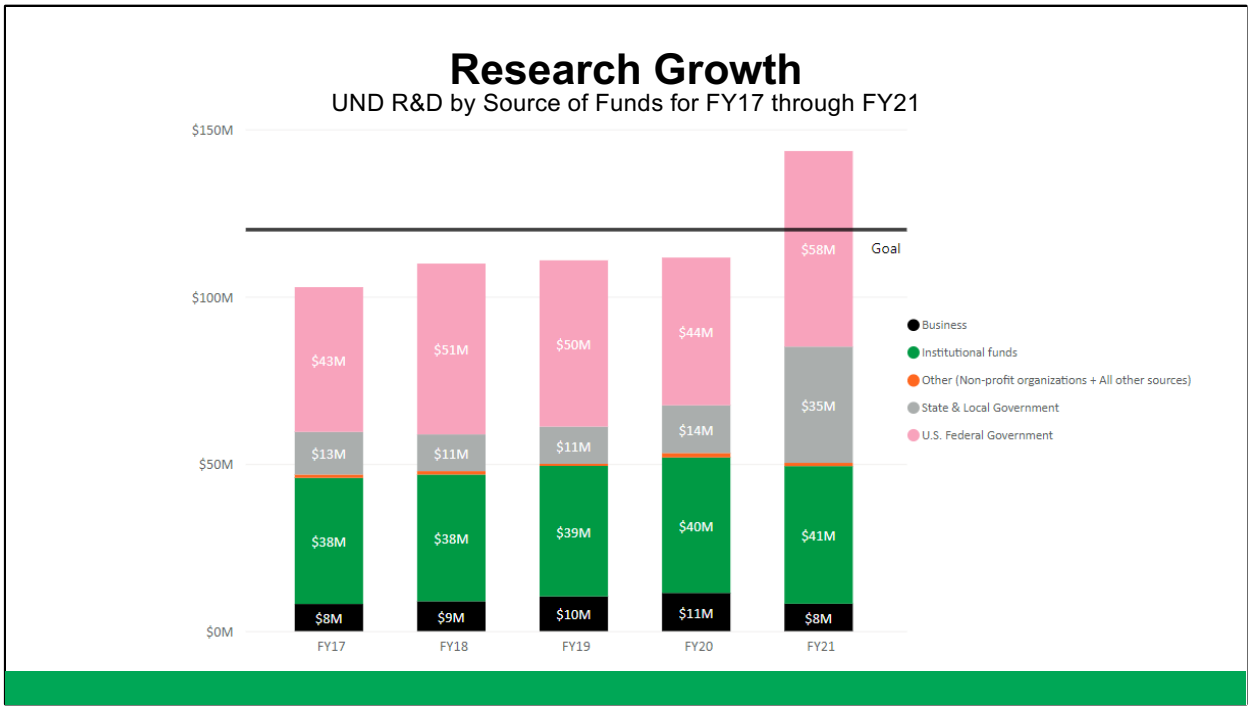
Finally, I highlight a number of organizations with whom we've partnered to offer opportunities for internships, academic projects, and job placement. These types of partnership directly impact the experiences of our students.

**Additional notes on Collaboration with Out-of-State Colleges**

- 2+2 Agreements: Northland Community College
- Dual-degree programs with out-of-state colleges
    - Rize Education, the LCMC, and Engineering: Agreement with 66 independent, liberal arts colleges across the nation to provide access to online UND engineering degrees

**Collaboration with Industry for Internships and workforce development**

- Accelerate to Industry: Collaboration with industry to enhance student employment readiness and build employment pipelines
- Evolve Grand Forks is a nonprofit organization focusing on the support of entrepreneurship in the Greater Grand Forks community by connecting entrepreneurs to the mentors, resources, capital, and more that is available in Grand Forks
- InternGF is a partnership between the UND Center for Innovation and the Grand Forks Region Economic Development Corporation designed to introduce UND students to high-wage, in-demand careers and employers in the Grand Forks region
- The Office of Teacher Recruitment and Retention (OTRR) was created to address the loss of qualified and trained individuals from the teaching profession, a trend that is seen not just in North Dakota but nationwide
- Riipen: Virtual project-based learning platform empowering every student with employable skills
- Research relationships with federal, state, and industry partners

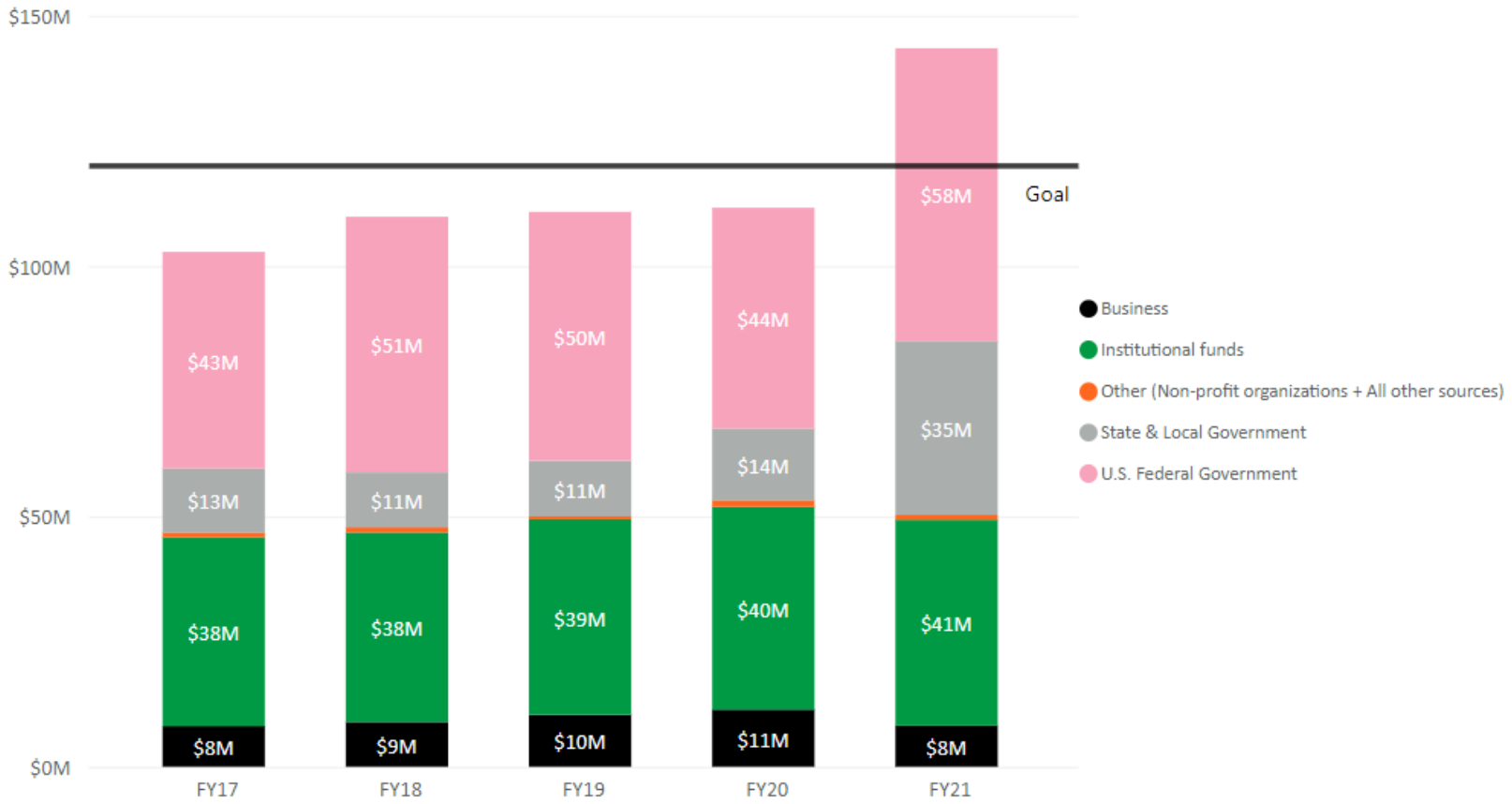



There's no greater opportunity for partnership than in our research programs. Research is critical to the creation of new knowledge and to develop opportunities that offer economic benefit to the state of North Dakota.

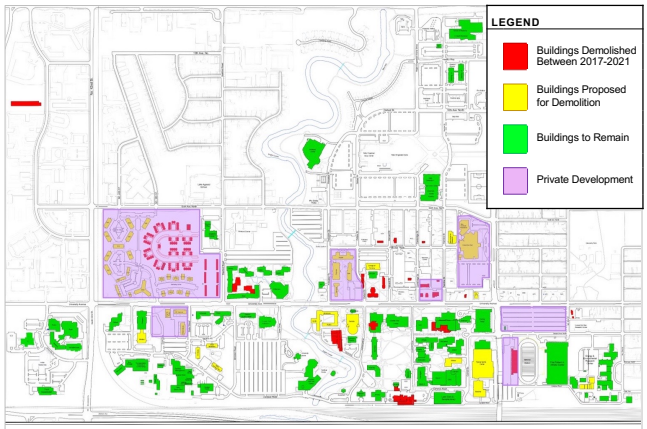
We are proud of our expanding research partnerships with federal agencies, state agencies, and industry. Our research expenditures grew year-over-year from $111M to $143M. This includes a 30% increase in federal research expenditures. Our FY22 expenditures will continue at the previous year's level. Central to this growth in funded research has been the identification of six Grand Challenges that focus on the areas of human health, rural health, energy, computational and data science, autonomy, and national security and space. We encourage the state to consider greater investment in university research, development, and innovation.

# Research Growth

UND R&D by Source of Funds for FY17 through FY21



# Changes to Physical Plant




UND Master Plan: Development, Renovation and Demolition Planning Map

## 2019 – Present Progress

| | |
|---|---|
| **State funds:** | $26M |
| **ARPA funds:** | $55M |
| **Donor funds:** | $57M |
| **Local funds:** | $285M |

Steam Plant construction
Memorial Union construction
Chester Fritz Library renovation
Nistler College construction
Brannon Hall renovation (residence)
McVey & West construction (residence)
O'Kelly Hall renovation
Memorial Village construction
Pollard Center addition
Airport apron project
Merrifield/Twamley Hall renovation

The physical transformation of the campus modernizes our educational programs and enhances the quality of student life. Our campus master plan describes steps to achieve three goals: (1) right-sizing the campus with a reduction in physical space of 2 million square feet, (2) reducing deferred maintenance by $550M, and (3) consolidating academic activities to the historic quad. The map demonstrates this transformation by showing red buildings that have been removed, yellow buildings that will be removed, green buildings that will remain, and purple regions that represent spaces for possible private development.

In the last 3-4 years, a number of projects have enabled this transformation, but we aren't done yet. It is important to include this slide to show how the combination of funding sources can enable such a transformation. Among projects totaling more than $400M in construction costs, state appropriations accounted for $26M in state dollars, primarily for the Nistler College, and $55M in federal ARPA dollars. Remaining funds came from donors, bonds, and student body decisions to cover most of the cost of the new Memorial Union via student fees.

We have truly tried to leverage state funding with other funds, and we will continue our efforts to be good stewards of state funding by promoting match opportunities with our donor community.

## 2021-23 One-Time Funding

**Space and national security research & education** **$14M**

- Construction of satellite design and test facilities
- Construction of satellite operations and a control facility
- Construction of UND's nanofoundry, a production and test facility for nano-materials

**FEDERAL FUNDING**

**Merrifield/Twamley renovation: work began Feb 2023** **$50M**

Recommend use of remaining federal ARPA funding for inflationary adjustments to projects approved in special session

**Flight apron repair** **$5M**

Before we move to the details of our proposed initiatives, let me provide a short summary of the status of prior one-time funding. We truly appreciate the support from the legislature to catalyze our work in space and national security. Between the regular and special session, you have enabled the creation of an infrastructure that will dramatically alter our academic and research opportunities. This support has been noticed by the federal government and has yielded two key partnerships with the Space Force and Grand Forks Air Force Base. UND and our growing capabilities were critical to the attraction of the new Space Development Agency's primary operating center to Grand Forks AFB, as well as the Test Resources Management Center, to locate in Grand Forks.

The state's allocation of federal ARPA funding during the special session has enabled two projects: a renovation project for Merrifield and Twamley Halls and the repair of the flight apron for UND's aviation program. During the session with the House, we encouraged the use of remaining ARPA funds for adjustments to ARPA-funded projects to help cover the dramatic increases in costs so that the originally approved projects may be completed. This was included in the engrossed bill for a number of NDUS projects, but not this project.

Let me now turn the podium to Vice President Stewart. She will build upon comments made by the Chancellor and his staff last week about UND's base operating request, as well as the impact of inflation. I'll then return to talk about additional initiatives for which we are asking for support.

Chairman Sorvaag, members of the committee: For the record my name is Karla Mongeon-Stewart and I proudly serve as the Vice President for Finance and Operation and Chief Operating Officer for the University of North Dakota.

## Base Funding Priorities for 2023-2025

| | |
|---|---|
| Needs-based budget | $150M |
| A 6%/4% salary increase | $7.4M |
| 15% health insurance increase | $1.95M |
| Tuition portion of the salary and benefits increases | $14.4M |
| Funding formula increase of 7.5% to address inflation | $11.2M |
| Equity salary pool **SB 2015** | |
| General Fund | $6.7M |
| Tuition Share | $3M |

**Base Funding Priorities by Line Item**

1. Needs-based budget request represents a small decrease in formula funding ($1,616,332) as a result of a reduction in credit hours of approximately 1%.
2. Support of the Governor's Executive recommendation of a 6% and 4% salary increase over the biennium.

- **Salary and Benefits:** We are increasingly seeing staff shortages and a lack of qualified applicants for open positions. The proposed salary and benefit funding increase will help us address some of these issues.
  - UND wants to ensure that our employees and their families are compensated at levels to help them address the unprecedented inflation for goods and services
  - Consumer inflation has minimized the impact of the historical salary increases over the past several years
  - UND is experiencing a decrease in qualified applicants for open positions and often must re-advertise positions multiple times
  - With the influx of the availability for online work, employees are able to expand their job searches nationally
  - Salaries are not competitive with the national market and there are market pressures both from the private sector as well as other states
  - South Dakota provided a 6% increase in wages for their state university employees and froze tuition
  - UND is seeing vacancies at a critical level which has forced us to decrease service levels in some areas
  - Market reviews and adjustments are needed at all levels

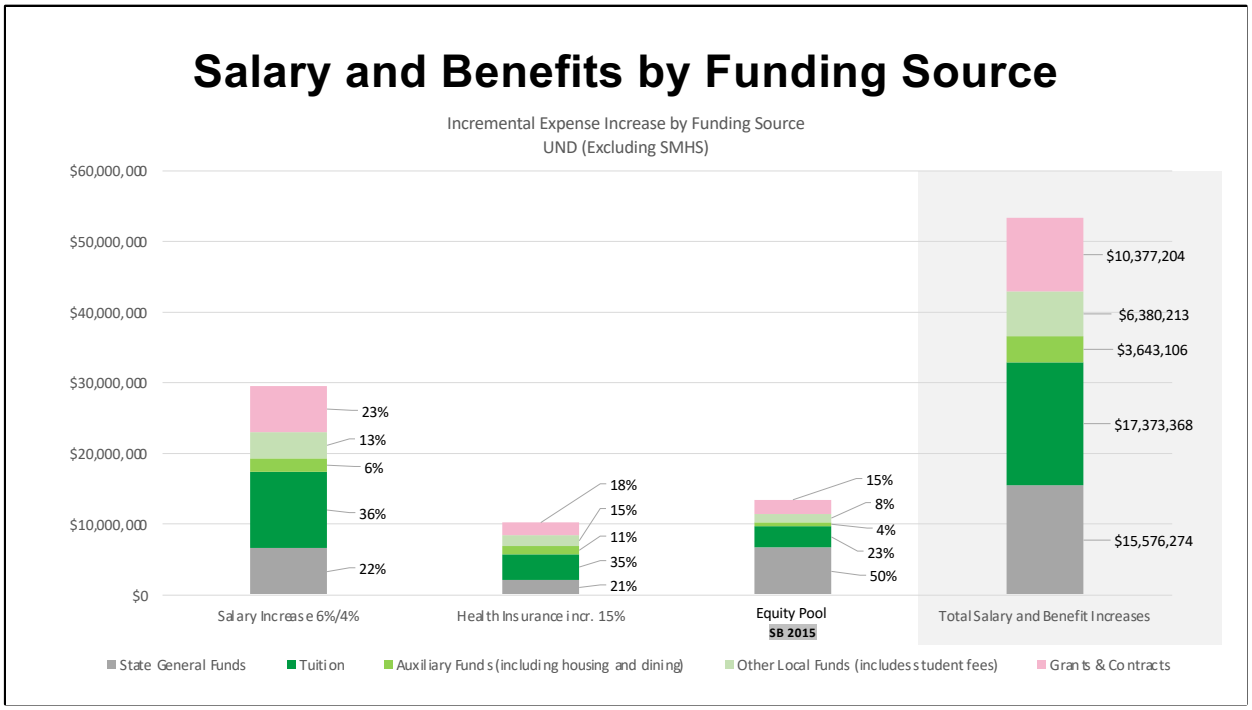
3. Support for the general fund portion of the 15% health insurance increase.
4. Consideration for funding the tuition portion of the salary and benefits increase proposed. This funding would allow the institution to minimize tuition and fee increases to our students and their families who also have been dealing with the repercussions of this unprecedented inflation.
5. Base increase to the funding formula of 7.5% (exclusive of any salary and benefit increase requested in the lines above).
   - This increase would give UND the ability to better address some significant inflationary operational expense increases. I will describe these in more details in a few minutes.
6. Support for the governor's equity pool. The funding for this pool is currently contained in SB 2015, but we have been notified by OMB and the NDUS that our share of that request is $6.7M.
   - An equity pool is critical to addressing our recruitment and retention challenges as many of our positions are not currently in alignment with the market. If an equity pool is provided, base salaries can be adjusted to better align with the market surveys and address internal equity issues within UND prior to the allocation of salary increases.
   - The proposal by the governor assumes that 50% of the equity pool would come from general fund dollars. The remaining 50% is funded through other local funds, of which $3M is tuition.
   - If the legislature is able to provide funding for the tuition portion of the salary and benefits increase; we would like consideration for funding the student share of this pool as well.

## UND Portion of Base Funding at Crossover

| | |
|---|---|
| Needs-based budget | $150M |
| A 4%/4% salary & fringe benefits with 6%/4% tuition portion increase | $19M |
| 15% health insurance increase with tuition portion | $5.8M |
| High-performance computing | $3.2M |
| Funding formula increase of 7.5% to address inflation | $0 |
| Equity salary pool **SB 2015** | TBD |

**House Appropriations Base Funding Proposal**

- Salary and fringe benefit increases at 4%/4% and an increase in health insurance premiums were approved through the house on bill HB 1003. In addition, the House approved funding the tuition-share of that salary and benefit increase up to the Governor's proposal of 6%/4%.
- The house did not approve any increase in the funding formula for operating expenses inflation. We will discuss in a future slide.
- A market equity pool was approved by the Senate in SB 2015 we have not been given the amount allocated to UND
- Permanent funding was added for high-performance computing that supports the Northern Tier Network for research at UND and NDSU



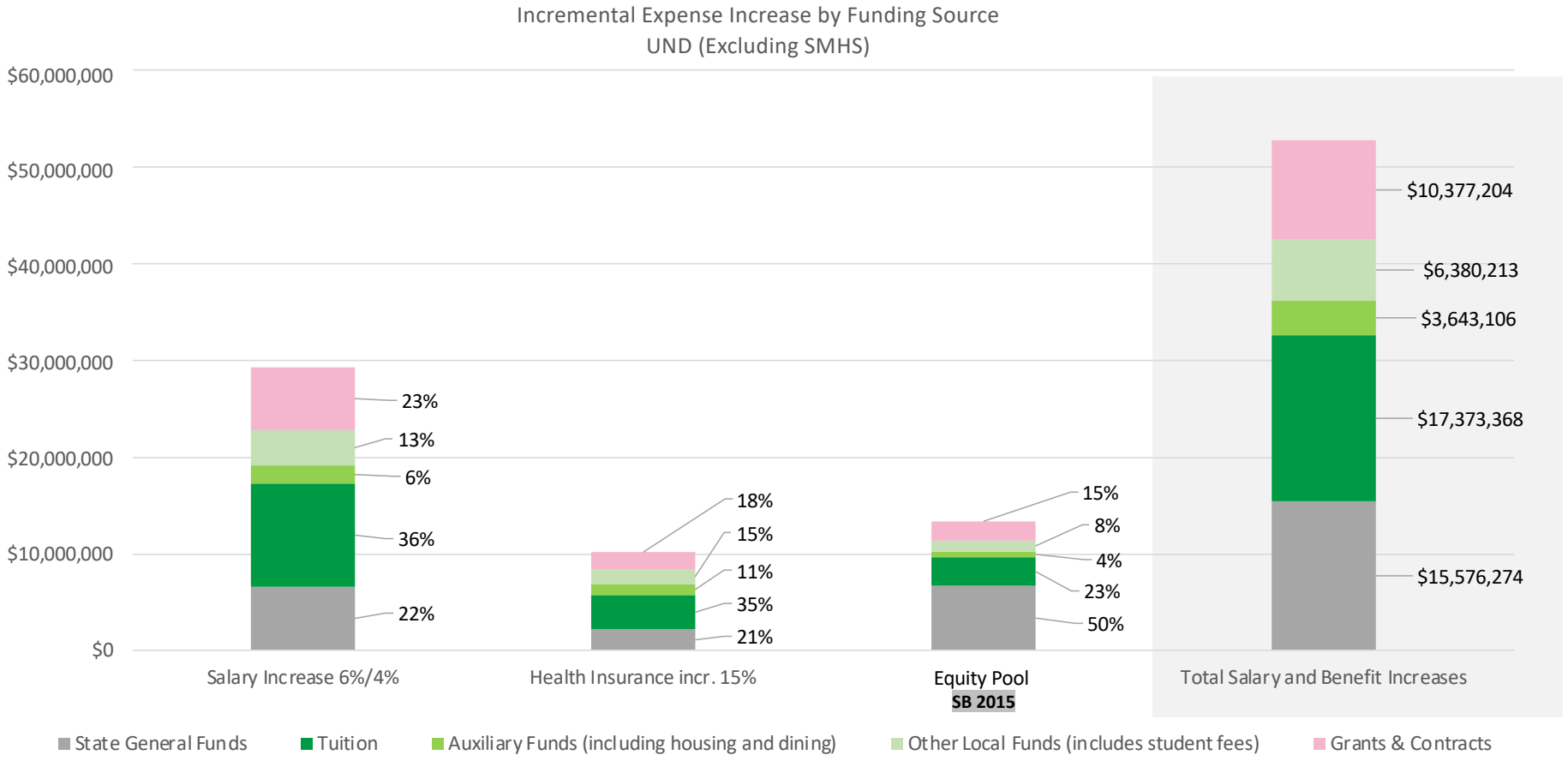

This graph illustrates the multiple funding sources that UND relies on for its operations, or in this case for salaries and benefits.

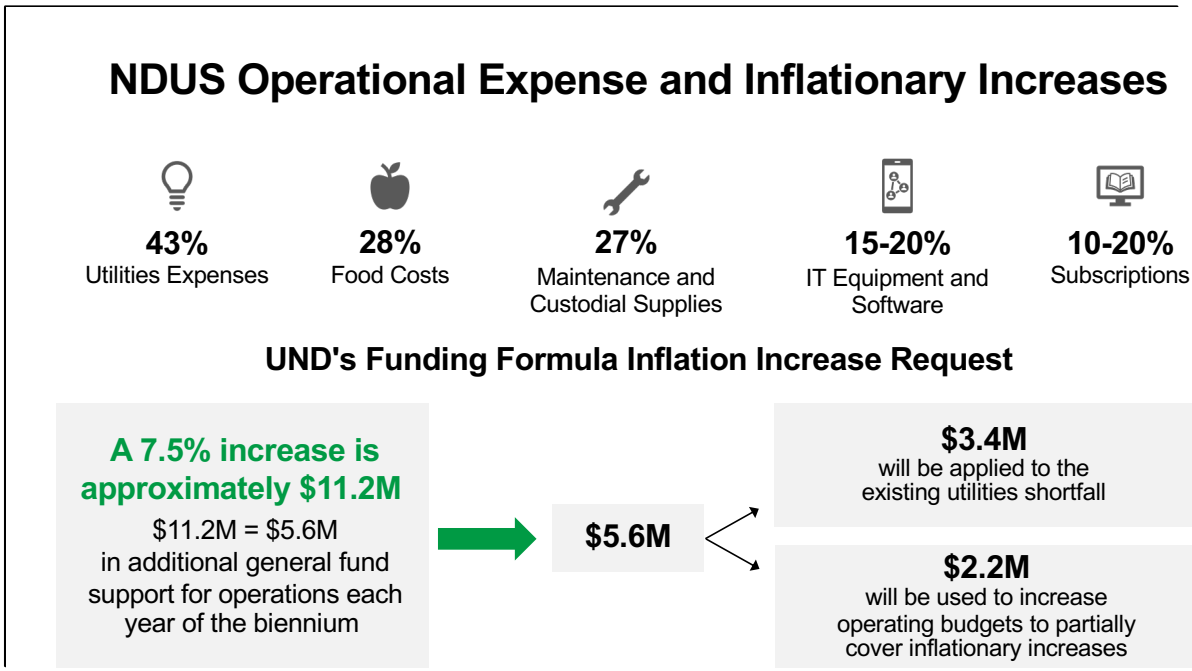
- The first level of funding is the state general fund.
    - Salary and benefit increases including health insurance covered by the general fund equals $8.8M broken out as you can see.
    - The proposed equity pool would add an additional $6.7M in general funding for a total increase in GF of $15.6M.

- The second funding sources (in various shades of green) rely on revenues the institution generates primarily from students in the form of tuition, student fees and fee for services such as room and board, etc.
    - The largest portion (dark green) of this is the tuition share which provides $17.4M of the funding. This ties back to the base funding request of $14.4M for salary and benefits increases with an additional $3M for the equity pool.
    - Auxiliary funds (lime green) represent the next funding source for these salary and benefit increases. The primary source of funding of this $3.6M comes from housing, dining, parking and athletics ticket revenues.
    - The final other funding source (light green) is other local funds at $6.4M. These funds represent revenues from student mandatory and nonmandatory fees including flight fees. There are also other funding sources included in this group which include departments that chargeback for services, gifts, etc. They manage their rates accordingly to fund operations as needed.

- The final funding source represented in pink is Grants and Contracts Revenues. This section represents EERC operations, as well as all other grant-funded programs across the university. These increases are absorbed by the grants and are generally allowed for in the budgets of most federal, state and private grants.
    - The total grants and contract funding needed to cover their share of these increases is $10.4M. These increases do not have a direct impact on students, but inflation does impact grant outcomes in the same ways as the university.

# Salary and Benefits by Funding Source






UND is dealing with significant challenges related to the unprecedented inflationary environment in addition to the salary and market challenges I have already described.

**Utilities**

A new power plant, made possible through a public private partnership with JCI and UND, was completed in October of 2019. No GF funds were used in the construction of this project. The university has been able to generate enough operational savings to cover the annual debt service of the new plant. In addition, 2 years ago, UND hedged its natural gas prices for 10 years so have been able to minimize the inflationary impact on natural gas prices which increased over 52% in the last year.

However, our utilities costs have continued to rise. The three primary reason for these increases are:

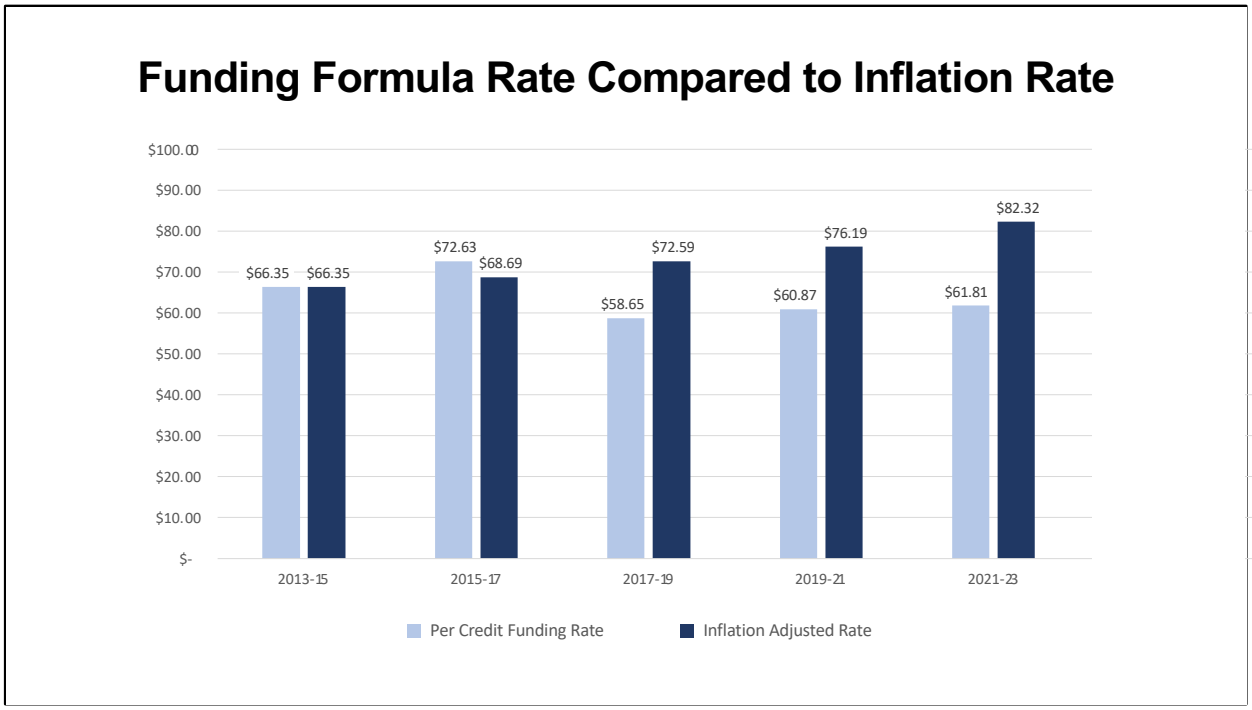
1. Colder than average temperatures
2. Increases in electricity costs (increases have been between 11% and 18% over the past year)
3. A significant number of curtailments (UND was curtailed 24 days in FY22)
    - Curtailments are when our natural gas utility provider does not have sufficient capacity for all of its customers so it has UND get off of the "natural gas grid" until sufficient availability returns to the system
    - Natural gas curtailments have caused significant increases in our operating expenses for several reasons
    - When the institution is curtailed, the power plant converts from natural gas to fuel oil
    - The operating cost of transitioning from natural gas to fuel oil are significant and occur each time a curtailment is issued
    - The natural gas price per hour is approximately $477 whereas the fuel oil cost per hour is $4,572 or an 858% increase in raw commodity price per hour exclusive of additional operating costs

As a result, UND suffered a utilities operational deficit of approximately $2M in FY22. In addition, rate increases in FY23 are expected to increase utility costs by an additional $1.4M for a total budget shortfall of $3.4M per year.

**Other Operating Expenses**

- Dining services has experienced a 28% increase in food cost and a total increase of $1.2M in cost of goods sold
- Academic units are seeing significant increases in instructional supplies, IT equipment and software and the library is seeing a 10%-20% increase in online subscription every year
- Maintenance and custodial supplies have increased 27% which not only impact facilities, but also auxiliary units

If an inflationary increase of 7.5% were able to be funded, UND would utilize the $5.6M per year first to offset the utilities shortfall. The remaining $2.2M would help address the inflationary impacts on other items such as custodial and maintenance supplies, academic supplies, IT supplies and equipment and library subscription increases.



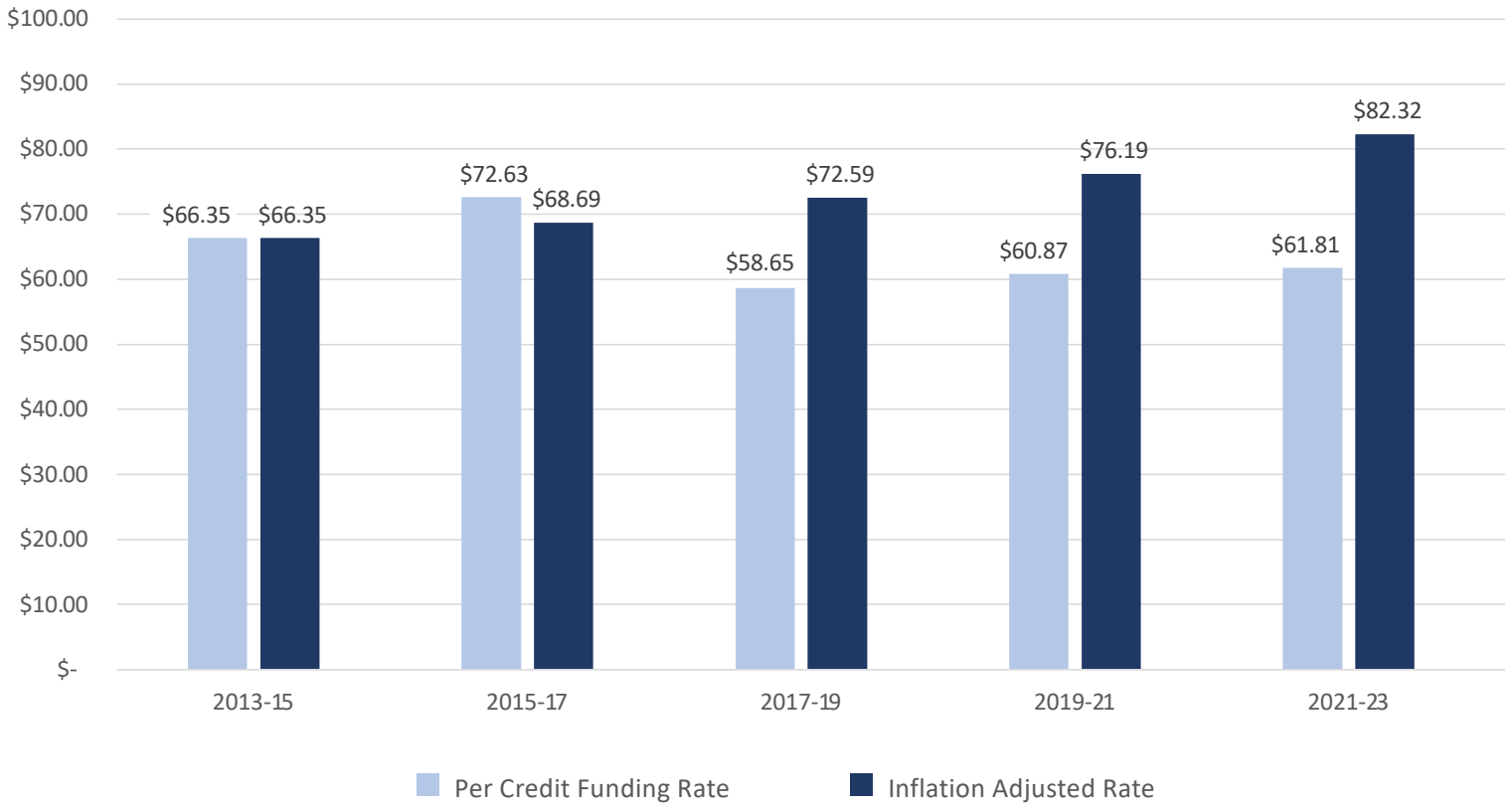

**Inflation Impact on the Funding Formula**

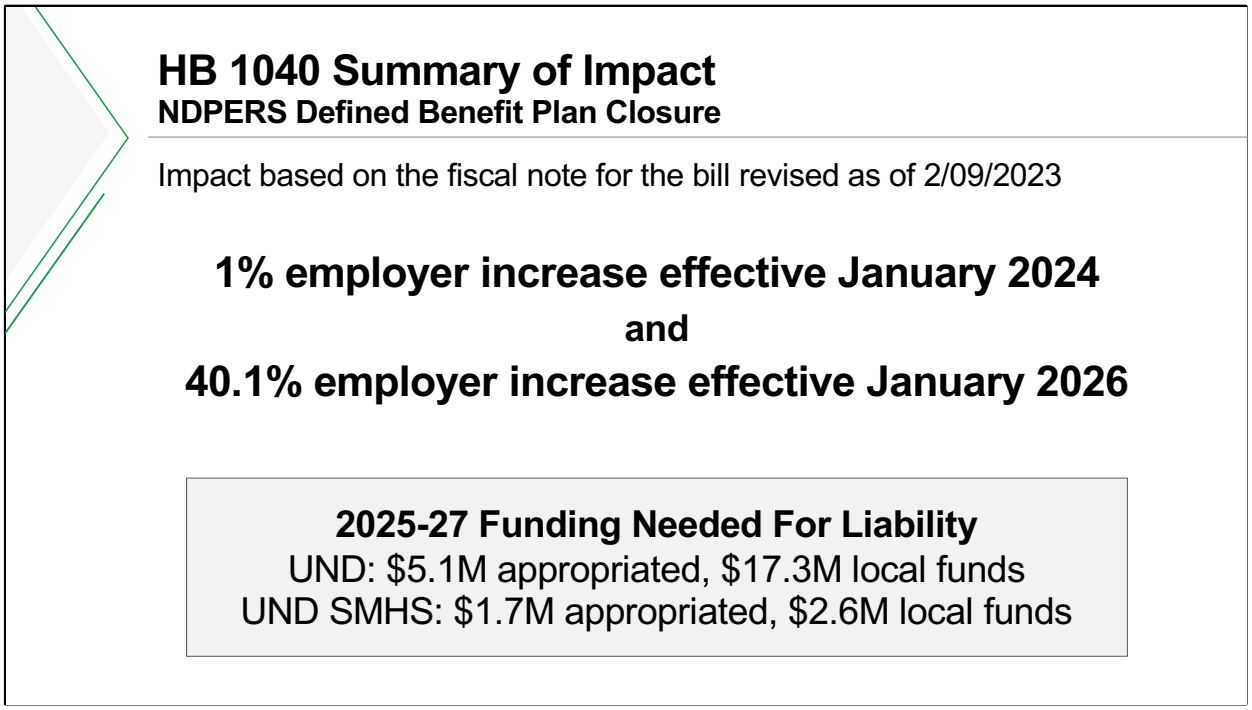
- The table displayed shows the Higher Education Funding Formula rates for research institutions (UND and NDSU) since the formula's inception during the 2013-15 biennium in light blue
- The dark blue bar to the right is the inflation adjusted rate based on the Higher Education Price Index which has been included in the appendix of your handout
- For many reasons, including the financial downturn in the state during 2017-2019, the formula funding rate has not kept pace with inflation
- When comparing the original rate of $66.35 to the current rate of $61.81, the funding formula rate has decreased 6.8% in real dollars over the past ten years or 31% in inflation-adjusted buying power

**The Request**

- The NDUS/UND is requesting an inflationary increase to the funding formula of 7.5% (exclusive of any salary and fringe increases described in the previous slides) to address the unprecedented inflation of operating expenses
- This increase would take steps for UND to be able to address significant operational issues as a result of this inflation

# Funding Formula Rate Compared to Inflation Rate






**HB 1040 is another bill that I want to mention.**

HB 1040 proposes closure of the defined benefit plan for NDPERS employees. A portion of UND employees participate in this plan. Similar to salaries and benefits, many of the employees that participate in this plan are paid from sources other than the general fund:

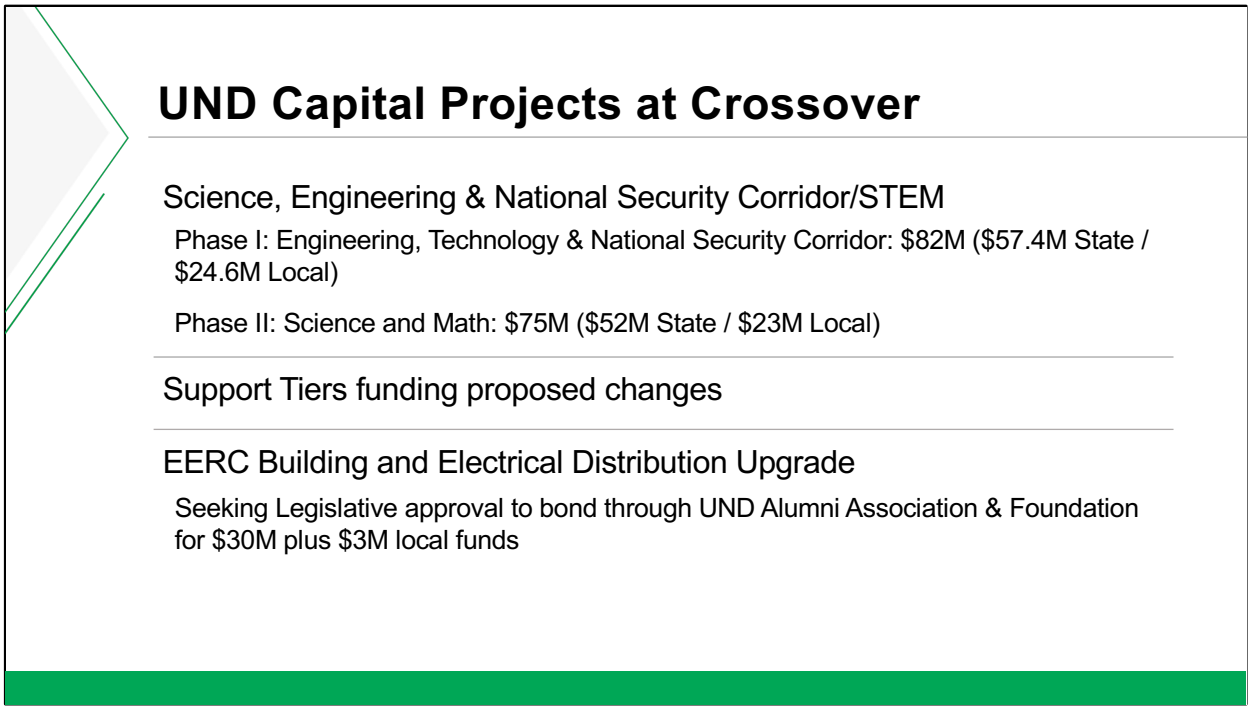
The impact of the additional employer-share is significant for UND. The most significant portion is from local funds which will require significant increases in tuition and fees as well as room and board fees to cover.

We wanted to make sure this committee is aware of the potential impact to the operating budget of UND and all institutions of higher education due to our multiple funding sources.

With that, I will stand for any questions before I hand it back to President Armacost.

# Additional Requests and Bills of Interest

Andy Armacost, President




Let me begin with capital projects. Our number-one priority, which is included on the NDUS list, is the Science, Engineering, & National Security facilities project. The engineering programs at both UND and NDSU play an important workforce development role across our state, and modernizing our facilities is an imperative.

This project will begin with detailed design work that explores a combination of renovation and new construction to modernize our STEM educational and research facilities. This funding also covers the demolition of the aging Hyslop Sports Center and the preparation of that land as the site for future science and engineering facilities. Construction would happen in two phases, the first to add additional capacity for engineering and the second for science and math.

Turning now to the Tiers funding, we strongly support the recommendation of the Interim Higher Education Committee to modify the match requirement and to increase the funding available for extraordinary repairs.

We also request approval to authorize the UND Foundation to purchase revenue bonds, which will be repaid by EERC revenue. There is no state appropriation required for this transaction. The bond payments will be made from local funds generated from our F&A income from EERC grants and contracts. The additional $3M in local funds will also come from F&A generation from EERC grants and contracts.

## UND One-time Funding at Crossover

| | |
|---|---|
| National Security Initiative | $45M |
| Challenge Grant (UND share only) | $5M |
| Challenge Grant (SMHS share only) | $4M |
| Behavioral Health | $660K |
| Single-parent Childcare Support | $250K |

**National Security Initiative**
The House Appropriations Education and Environment Division has added $45M to the UND budget for the National Security Initiative. This initiative provides funding for: high-speed laser research for optical communications; satellite and space debris tracking; molecular beam epitaxy; digital engineering and a virtual reality laboratory; a cyber range; cybersecurity research infrastructure; a 3D rocket laboratory; a controlled environment field-testing facility; an autonomous system environment; and a development and test facility.

**Challenge Grant**
HB 1003 includes language about the Challenge Grant program that says “The board may award up to” $5M dollars in matching grants to UND and up to $4M dollars in matching grants for projects at the UND School of Medicine and Health Sciences, as well as the awarding of funding to other institutions within the North Dakota University System.

As DeAnna Carlson Zink briefed the full committee last week, the Challenge Grants have provided an attractor for donors to give to areas like endowed student scholarships and endowed faculty. For every state dollar, we receive two additional donor dollars, making the total impact at UND and SMHS a full $27M in support of these programs.

**Behavioral Health**
The behavioral health of students continues to be a significant issue on every university and college campus. The North Dakota University System seeks $3.6M for its Behavioral Health Initiative. A portion of those dollars would go to the University of North Dakota. System-wide, the $3.6M would fund 16 full-time and two part-time employees, four trainees, and four interns to assist students with behavioral health needs. The need has increased due to the pandemic, with students now waiting up to four weeks to see counselor.

**Single-parent Childcare Support**
The State Board of Higher Education may provide up to $250,000 to each institution under its control, each tribally controlled community college in this state, the University of Jamestown, and the University of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.

## Additional Requests for 2023-25

**NDUS**

- Research and Economic Development through Legacy Fund earnings **HB 1379**
- Support Career Builders expansion to address teacher and nursing shortages **HB 1030**
- Support growth as proposed by the House in HB 1003 of multiple scholarship opportunities for students

**UND**

- Removal of 2027 sunset clause for State Energy Research Center **SB 2161**

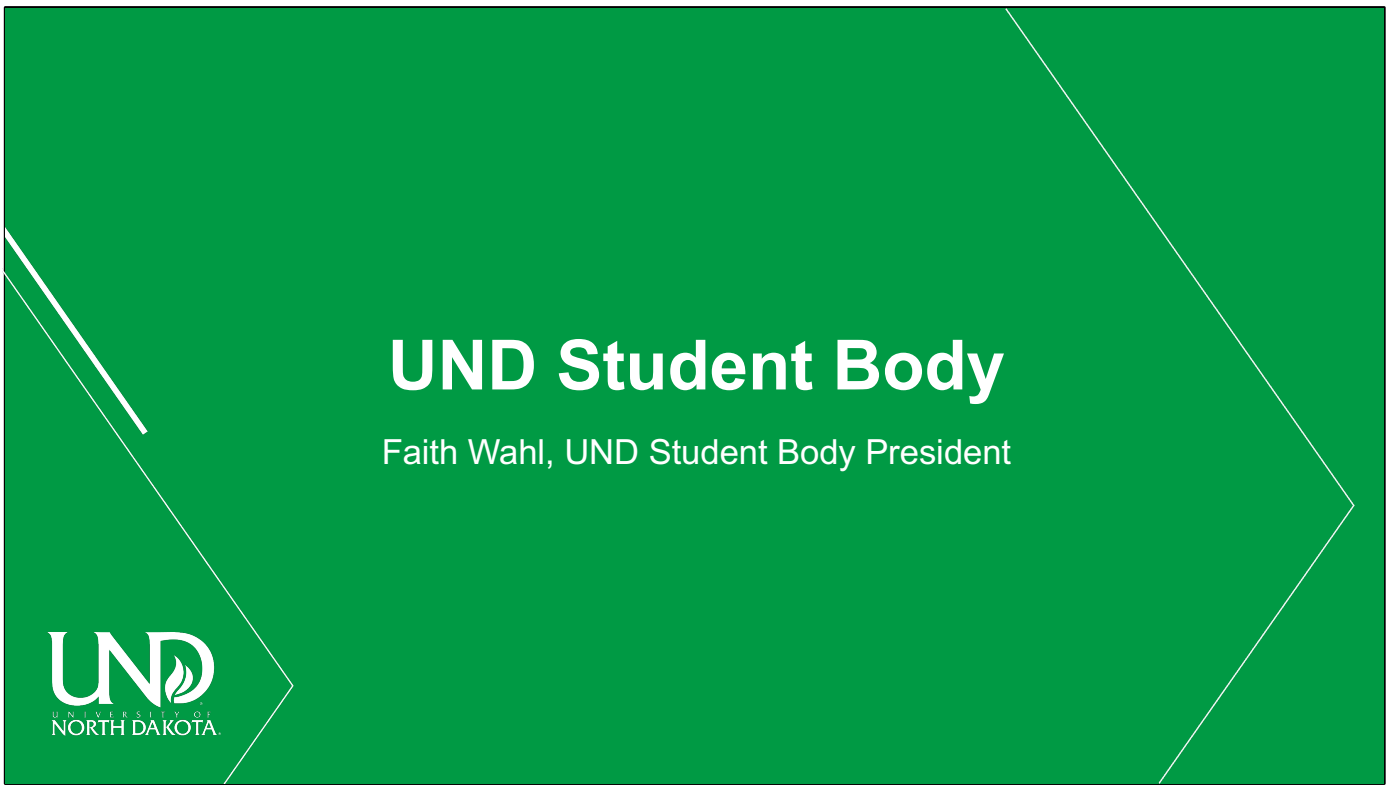
Let me also draw your attention to additional items for which we are advocating for legislative support.

We believe it is important to continue the work to support university Research and Development using Legacy Fund earnings.

House Bill 1030 modifies the Career Builders program to enable a broader set of uses, including for four-year degrees. We support its use for key workforce needs, such as for teachers and nurses.

Supporting additional scholarships, as outlined in 1003, helps attract additional students to the NDUS by making their education more affordable.

Finally, Senate Bill 2161 removes the sunset clause for the EERC's designation as the State Energy Research Center. The EERC has been wildly successful in supporting the basic research needs of the state of North Dakota.




Thank you, again, for your attention today, for your great questions, and for your long-standing commitment to higher ed and to UND. It is most fitting to close with comments from our student body president, Faith Wahl.

## Student Involvement

**282**
student organizations

**33**
new student organizations

**14,611**
students engaged in the fall student involvement fair

- There are 282 recognized student organizations in the 2022-2023 academic year
- 33 new student organizations have formed this year
- In the fall of 2022, a total of 14,611 engaged in a student involvement event
    - 4,697 unique students were served through this program

## Student Fees

- Fund 11 different departments on campus
- Provide resources and support to both online and on-campus students
- Held constant throughout the last two years

Student fees fund 11 different departments on campus and continue to provide resources and support to both online and on-campus students. They have been held constant throughout the last two years. As the legislature works to keep costs low for students, UND is paralleling this work.

## Student Needs

UND Food Pantry

- Fall 2022: 1,052 visits; 287 unique users
- Spring 2023: 483 visits; 178 unique users

UND Student Government coat drive served 60 students

UND Student Food Pantry

- In the Fall of 2022, there were 1,052 visits to the food pantry of which 287 were unique users
- In the Spring as of 02/23/2023, there have been 483 visits to the food pantry of which 178 were unique users

UND Student Government organized a coat drive for students and over 60 students were served

## Community Involvement

UND strives to prepare students for the workforce, and educate students who will engage in service, civic engagement, and be active members of their community.

## Student Priorities

Affordable Education

Behavioral Health

Retention of students in North Dakota

Affordable Education

- Challenge Grant, Scholarships for key workforce shortages, funding formula

Behavioral Health

- Green Bandana Project, Counseling Center, Counseling Compact

Retention of students in North Dakota

- Internships, affordability, community involvement

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**UND.edu/legislative**

# WILLISTON STATE COLLEGE
# 2023 LEGISLATIVE SENATE PRESENTATION

# WILLISTON STATE COLLEGE
## MISSION

## "Where the People Make the Difference"

WSC exists to provide accessible, affordable, life-changing, and life-long educational pathways to residents of North Dakota, the Upper Plains, and beyond.

WILLISTON
STATE COLLEGE
STATE COLLEGE

# WILLISTON STATE COLLEGE
## ECONOMIC IMPACT

Operational and affiliated activities, auxiliary/business services, and student spending, **generated $109.1 million in total economic contributions** to the NW region and the State of North Dakota FY20 and FY21.

Revenues compared to legislative appropriations, the “return on investment” by leveraging external resources was **$2.67 for each state appropriated dollar.**

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# ACADEMIC & TRAINING PROGRAMS

## ASSOCIATE DEGREES & CERTIFICATES

- Associate in Arts & Associate in Science

**ACADEMIC DISCIPLINES: (13)**

Accounting, Agriculture, Business Management, **Cybersecurity**, Diesel Technology, **Electronics & Industrial Controls**, Information Technology, **Internet of Things**, Massage Therapy, Nursing, Petroleum Technology & Automation, Sports and Recreation Management, Welding Technology

- **BIG "3"**
  - General AA Transfer: 30%
  - Business Mgmt. & Acctg.: 16%
  - Nursing: 15%

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# ACADEMIC & TRAINING PROGRAMS

## WORKFORCE TRAINING WITH TRAINND NORTHWEST

**TrainND Northwest:**

Started in 1999
Short-term and customized training
Over 130 training programs created

**THE NUMBERS (2010-2020)**:

Training Participants: 86,877
Companies Served: 4,209
Training Sessions: 11,439
Contact Training Hours: 1.17 million

****FY22: 11,019 total duplicated trainees**
****FY22: Revenue of $2.3 million**

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# ACADEMIC & TRAINING PROGRAMS

## WORKFORCE TRAINING WITH TRAINND NORTHWEST

**CDL & CRANE PROGRAMS:**

- $2.3 million federal grant to upgrade CDL training fleet
- Five new trucks (one hybrid) (2019)
- Providing CDL training at Dickinson State
- New Crane Equipment (Truck Cranes)

**UAS & BVLOS:**

- Working with FAA and Vantis Network
- First approved BVLOS curriculum in United States
- First ever student completer in US in BVLOS

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# WILLISTON STATE COLLEGE
## INITIATIVES & OPPORTUNITIES

### Healthcare Training Expansion:

- Regional Growth Requiring Increased Healthcare
  - Williston population nearly 34,000 (#6 in size in North Dakota); projected to reach 50,000 by 2030
  - Limited healthcare available and limited trained workforce (currently hiring out of country)
  - Sanford Health initiative for clinic and hospital (90,000 sq. ft. clinic)
- WSC must expand healthcare training to provide a trained workforce for regional expansion
  - Add medical programs and certifications (Surg. Tech, Paramedic, EMT, Behavioral Health, Med. Lab. Tech)
  - Partner with four-year institutions for advanced healthcare training in Williston region
  - Build healthcare training facility on campus of WSC (Appendix)
  - ****Letters of support from ALL regional healthcare providers for WSC expansion initiatives**

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# WSC - MEDICAL ARTS

## SOUTH ELEVATION

01/06/23 | JLG 22036 | © 2023 JLG ARCHITECTS

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# WILLISTON STATE COLLEGE
## INITIATIVES & OPPORTUNITIES

- Turf Project:
  - Teams travel to Montana, South Dakota and Nebraska to play in early spring
  - Community project including ten groups/organizations
  - Convert baseball & softball fields to ‘field turf’
  - Add lights, fencing, upgraded grandstands and concessions (Appendix)
  - Fields will be used by community rec. district and schools for spring, summer, and fall leagues
  - Project cost is $7.3 million (at full buildout)
  - *100% private funds
  - Needs legislative approval to proceed

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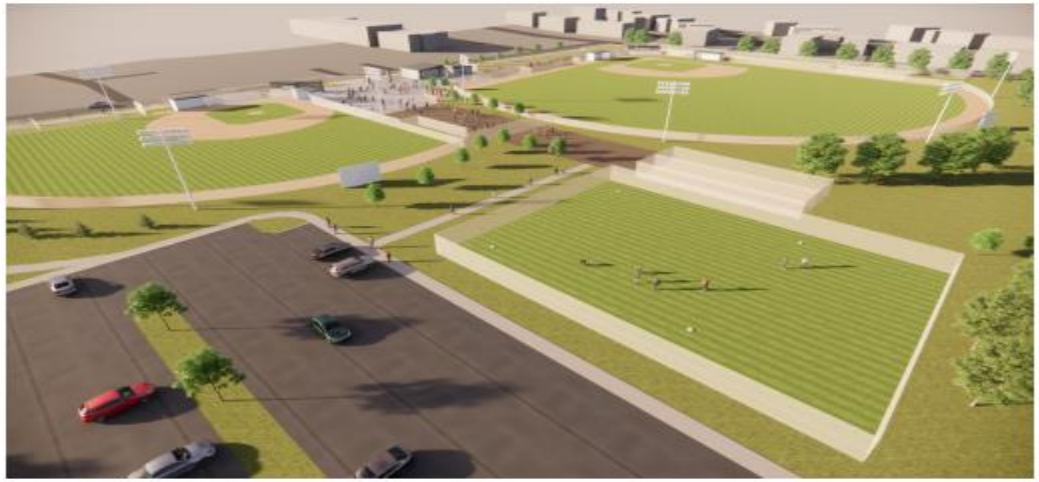

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# WSC PARTNERSHIPS
## COMMUNITY CONNECTIONS

- CTE expansion with McKenzie County School District and Williston High School District, in collaboration with Greater Northwest Education Cooperative CTE initiatives
- Turf Project
- Hockey Power Play group building
- Childcare Facility in cooperation with the City of Williston and Williams County (June, 2023, Opening)
- Agreement with Williston Parks & Rec for WSC students to have full access to Williston Area Recreation Center
- SBDC Shared Space with Williston Regional Economic Development
- Job Services hosts two job fairs per year at WSC (400-600 job seekers per fair)
- Williston Rotary and Boy Scouts meet at WSC
- TrainND Northwest and WSC connections with Williston Chamber of Commerce
- Marketplace for Kids: 1,200 kids at Williston State College

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# WSC-NDUS PARTNERSHIPS

## COLLABORATIVE EFFORTS & SHARED SERVICES

- 2+2 program MOU's with Mayville State University, Valley City State University, Dickinson State University, Minot State University, University of North Dakota, North Dakota State University, and University of Mary
  - By June 30, 2023, approximately 30 agreements will be in place
- Dakota Digital Academy
- Dakota Nursing Program (WSC, LRSC, DCB, BSC)
- Northern Information Technology Consortium (WSC, LRSC, DCB, TMCC, MiSU)
- North Dakota Ag Consortium (WSC, DCB, LRSC)
- Shared Payroll Services (NDSU)

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# STUDENT ENROLLMENTS

## FTE (FULL-TIME EQUIVALENT) AND HEADCOUNT

**FULL-TIME EQUIVALENT (FTE)**

- Fall 2022: 646
- Fall 2021: 667
- Fall 2020: 703

**HEAD COUNT**

- Fall 2022: 924
- Fall 2021: 908
- Fall 2020: 959

**FULL-TIME EQUIVALENT (FTE)**

- Spring 2023: 629
- Spring 2022: 667
- Spring 2021: 679

**HEAD COUNT**

- Spring 2023: 1,007
- Spring 2022: 1,054
- Spring 2021: 1,084

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# STUDENT STATISTICS

## STUDENT STATISTICS FALL 2022

### ENROLLMENT (TOP 3 STATES) FALL 2022

- North Dakota - 713 (77%)
- Montana - 94 (10%)
- Texas - 9 (1%)

### STUDENT ENROLLMENT STATUS FALL 2022

- Full Time Students - 514 (56%)
- Part Time Students - 410 (44%)
- Early Entry Students - 265 (29%)

### COURSE DELIVERY METHODS Fall 2022

- In-person – 186 courses (60%)
- Online – 97 courses (31%)
- Hybrid/Blended – 17 courses (5%)
- Interactive Video – 11 courses (4%)

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# WILLISTON STATE COLLEGE

## SCHOLARSHIP PROGRAMS FROM WSC FOUNDATION

- **Over 70 different scholarship 'buckets' totaling $3.6 million for full current academic year**

- **History of Regional Scholarship: Alva J. Field in 2012**
- **Regional Scholarship Modifications in Fall, 2022: (85% of students on scholarship)**
  - 100% tuition & fees covered for two full years
  - 53 counties (26 in western ND & 27 in eastern MT)
  - Includes part-time students to capture (early-entry, dual-credit, and working professionals)
  - Includes fully online students
  - Includes graduates from any time, no longer only current graduates

- **Challenge Grant Matching Funds:**
  - WSC Foundation claimed entire allotment for WSC for current and previous biennium
  - Used to upgrade equipment in Nursing program

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# AUDIT FINDINGS

## AUDIT UPDATES

- **Inadequate monthly bank reconciliation statements**
- **Improper awarding and approval of scholarships**
- **Not following state procurement processes**

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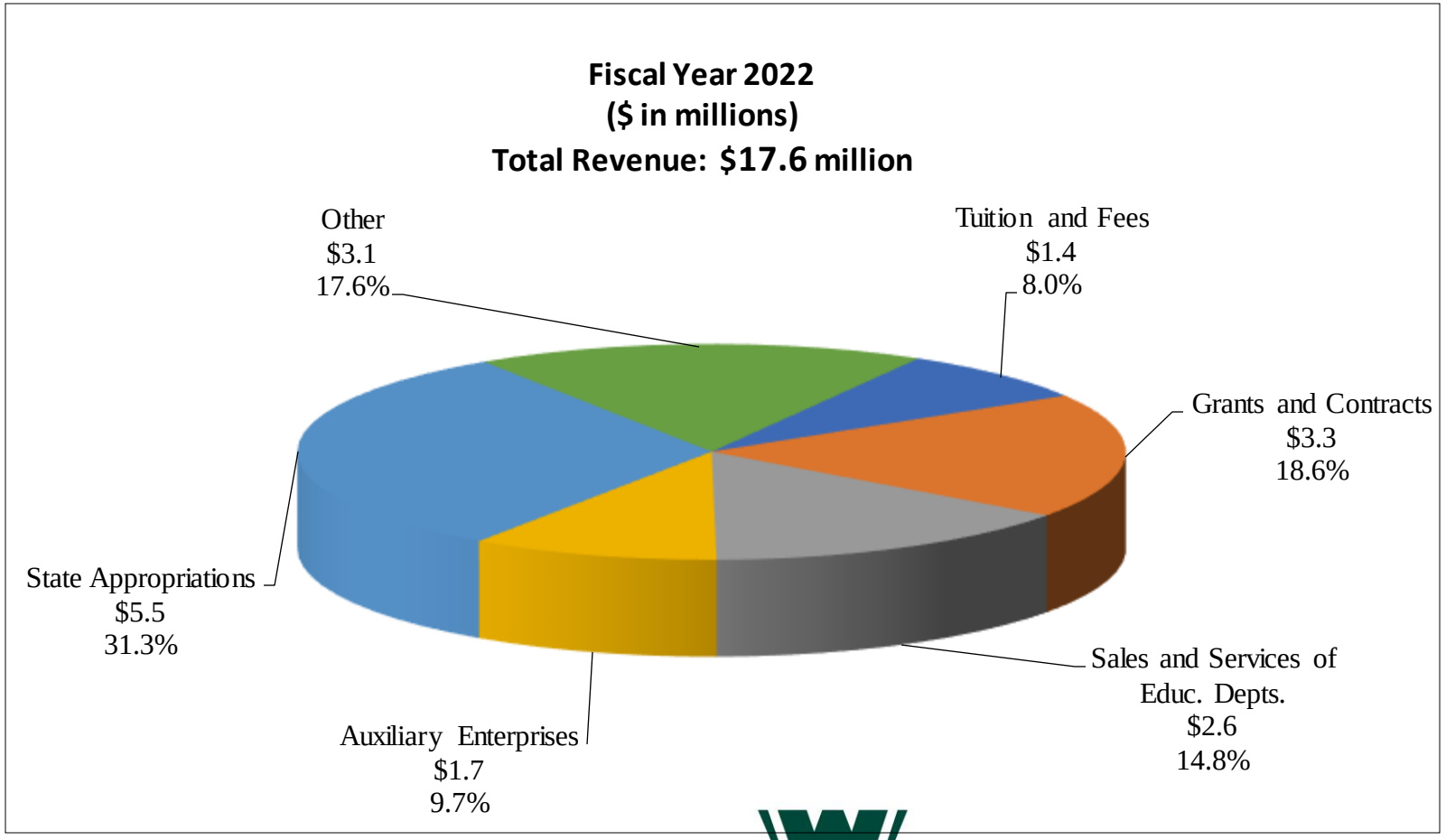
# WILLISTON STATE COLLEGE

## TOTAL REVENUE, EXCLUDING CAPITAL

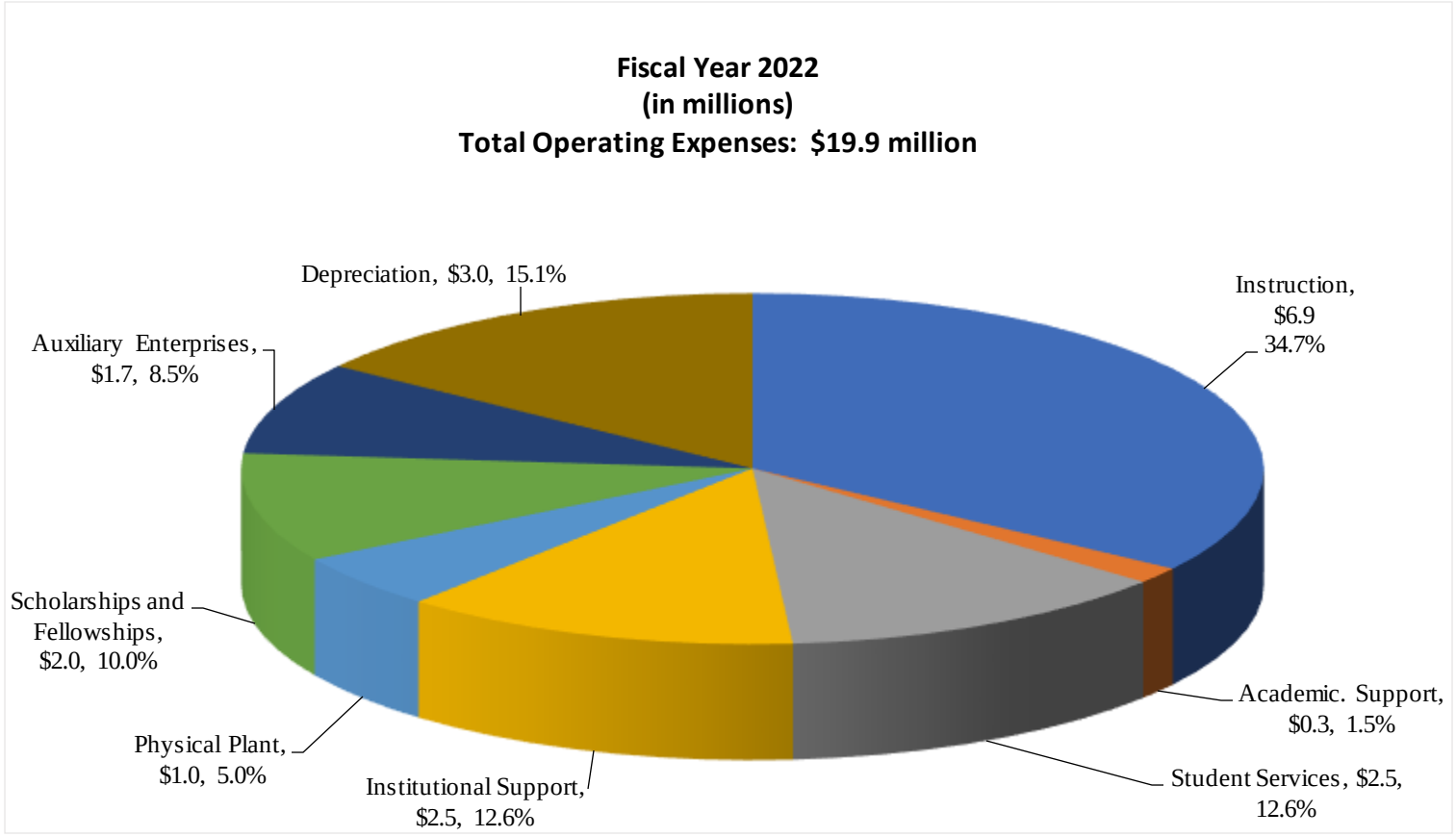



Source: Audited NDUS Financial Statements, June 30, 2022

Sales and services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are TrainND ($2.3 million) and ticket sales for athletic events. Other revenue reflects Foundation support for Tuition and Fees scholarships.

# WILLISTON STATE COLLEGE

## OPERATING EXPENSES BY FUNCTION EXCLUDING CAPITAL & NON-OPERATING




Source: Audited NDUS Financial Statements, June 30, 2022

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The **instructional function** includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. **Academic support** includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. **Student services** include offices that provide a specific service to students, including career services, registration, admission and counseling**. Institutional support** includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The **physical plant function** includes upkeep, maintenance and utilities for campus facilities. **Scholarships and fellowships** include aid provided to students. **Auxiliary enterprises** are the self-supporting activities of the campuses, such as bookstore, food service and housing. **Depreciation** represents the non-cash expense of capitalized assets over time. **Public service** includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The **Research function** is activities specifically organized to produce research.

# WILLISTON STATE COLLEGE

## 2023-25 GENERAL FUND BUDGET REQUEST

| | WSC Request | House Recommendation | House Budget Over (Under) Budget Request |
|---|---|---|---|
| **2021-23 Original General Fund Appropriation** | **$ 11,286,737** | **$ 11,286,737** | **$ -** |
| **Costs to Continue Salaires** | **57,105** | **57,105** | **$ -** |
| **Funding Formula - SCH Production Changes** | **137,487** | **137,487** | **$ -** |
| **Student Mental Health Initiative** | **169,140** | **169,140** | **$ -** |
| **2021-23 Adjusted General Fund Appropriation, Net of Base Adjustments(Needs Based Budget Request)** | **11,650,469** | **11,650,469** | **-** |
| | | | |
| **2023-25 Adjustments** | | | |
| 2023-25 - 4%/4% Salary & Fringe Benefits General Fund and 6%/4% Tuition Portion | | 866,939 | 866,939 |
| Health Insurance increases General Fund and Tuition Portion | | 319,096 | 319,096 |
| Formula Adjustment (CTE credits at 5 factor) | | 322,613 | 322,613 |
| Total Adjustments | $ - | $ 1,508,648 | $ 1,508,648 |
| **2023-25 Base General Fund Request & Recommendation** | **$ 11,650,469** | **$ 13,159,117** | **$ 1,508,648** |
| | | | |
| | | | |
| **Special Funded Capital Projects** | | | |
| Medical Healthcare Building (SIIF) | | $ 34,750,000 | $ 34,750,000 |
| Medical Healthcare Building (Other) | | 1,850,000 | $ 1,850,000 |
| Turf Project (Other) | | 7,313,939 | $ 7,313,939 |
| **Total Capital Projects** | | $ 43,913,939 | $ 43,913,939 |

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# WILLISTON STATE COLLEGE

## STAFFING PROFILE FISCAL YEAR 2023

- Full Time Faculty and Staff - 99
- Full Time Faculty - 29
- Part Time Adjunct Faculty - 25
- Full Time Staff - 70 (including contract trainers w/TrainND Northwest)

**In Fall 2022**: 17/29 (58%) of Full Time Faculty took on overload teaching assignments in addition to their full-time teaching load of 15 credits.

At the beginning of the 2015 biennium session, Williston State College staffed 110 FTE's in its operations, including TrainND.

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# LEGISLATIVE REQUEST

## 2023-2025 BIENNIUM (PRIORITY #1)

**Williston State College respectfully requests legislative consideration in two areas critical to the success of the college moving forward:**

**Challenge**:

- Overall inflationary cost increases have stretched budgets beyond projections.

1.) Pay Increase, Inflationary Increase, and Health Premium Increase fully funded in General Fund:

Any pay increases, inflationary increases, and/or healthcare premium increases optimally should be fully funded in the general fund as WSC doesn't have the monies in reserve to cover any part of these increases that aren't absorbed in general fund appropriations. (Escalating operating costs…)

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# LEGISLATIVE REQUEST

## 2023-2025 BIENNIUM (PRIORITY #2)

**Williston State College respectfully requests legislative consideration in two areas critical to the success of the college moving forward:**

2.) Healthcare Training Facility (Capitol Project Request)

- Oil and gas exploration and extraction will continue for the foreseeable future
- Population growth will need to continue to support oil and gas industry
- Healthcare infrastructure expansion will be need to support population growth
- Healthcare training expansion will be needed to support healthcare industry expansion

- In closing…the healthcare training facility requested above will be essential to supporting the overall growth and expansion of not just northwest ND, but the entire State.

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# THANK YOU…QUESTIONS?

**Dr. Bernell Hirning, President |** bernell.hirning@willistonstate.edu

Ms. Krista Lambrecht, VP Business Services; krista.lambrecht@willistonstate.edu;

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# APPENDICES

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# WILLISTON STATE COLLEGE

## MEDICAL ARTS BUILDING
## FLOOR PLANS

NORTH DAKOTA STATE LEGISLATURE

JANUARY, 2023

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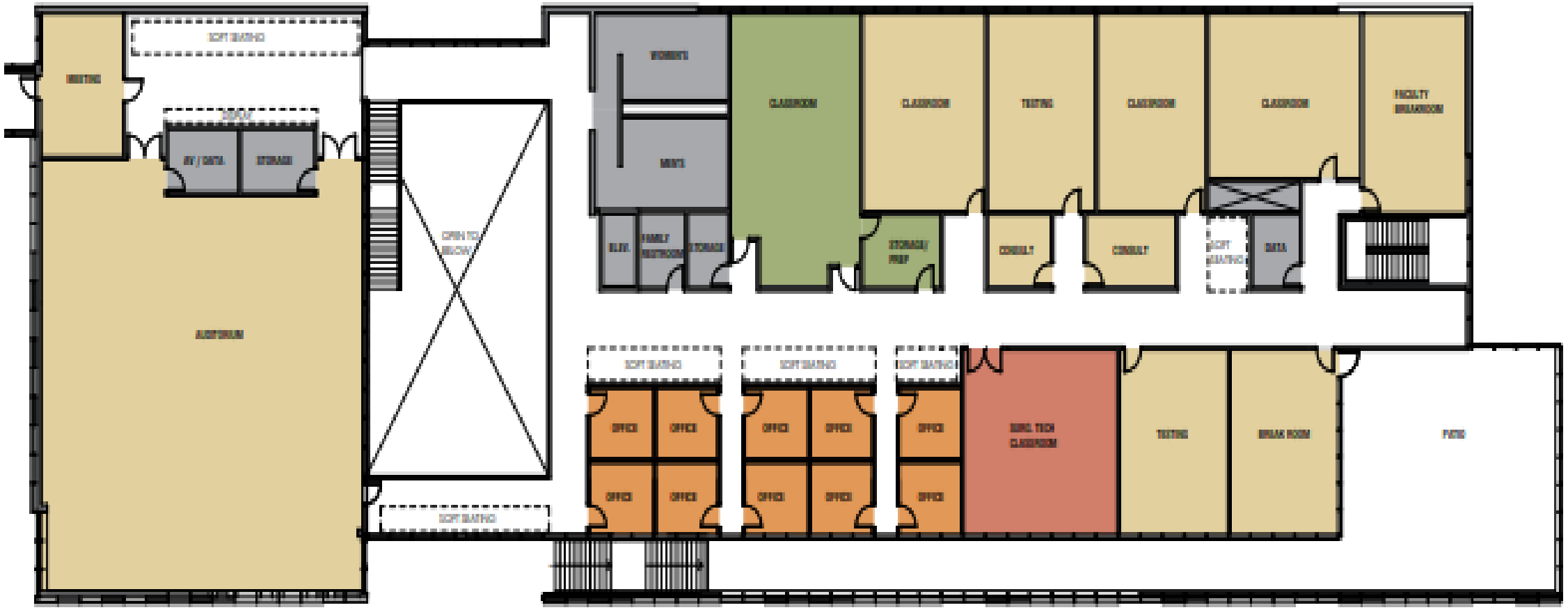


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# WSC - MEDICAL ARTS

## ENTRY

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# WSC - MEDICAL ARTS

## SOUTH ELEVATION

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WILLISTON
STATE COLLEGE

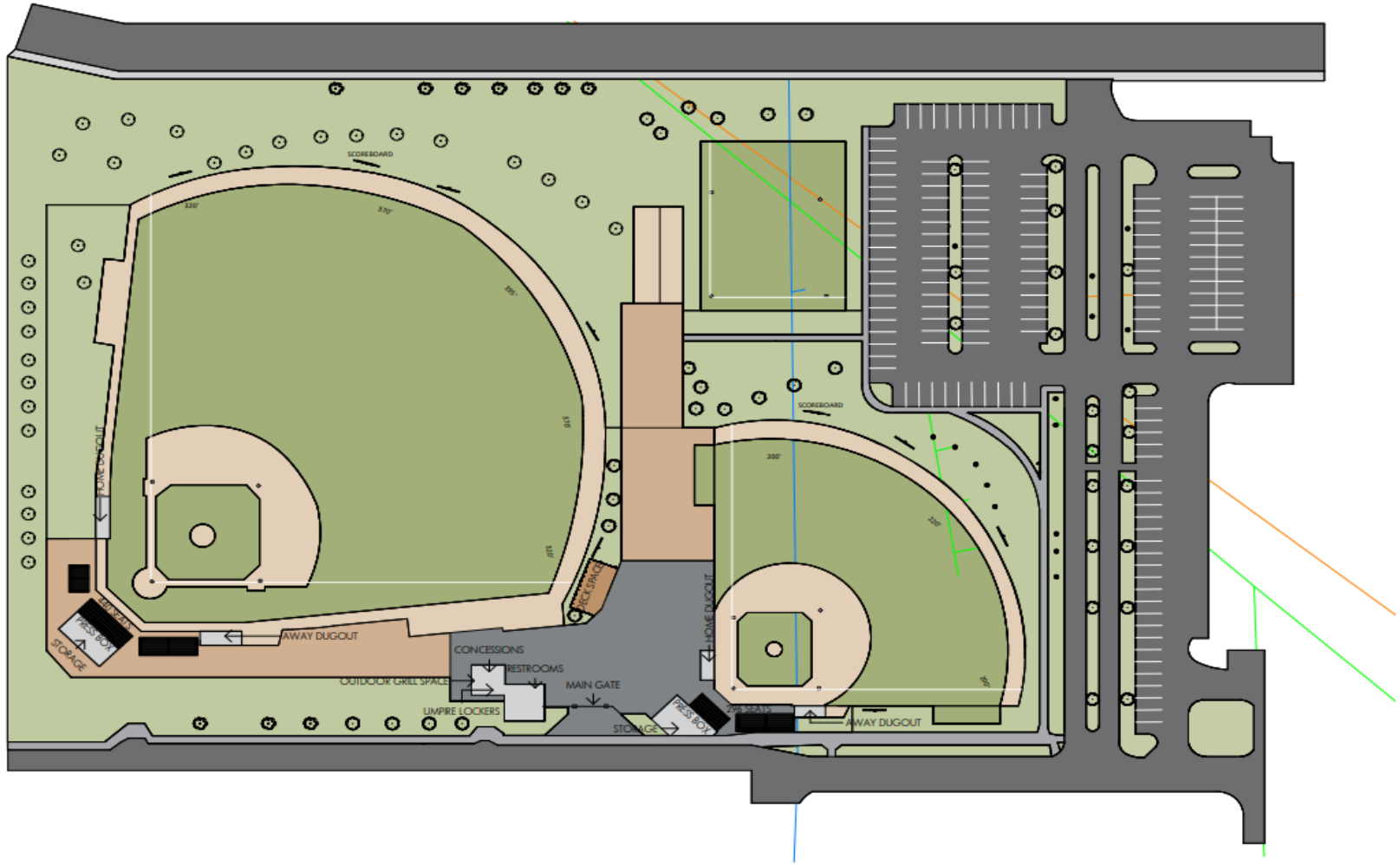
# WILLISTON STATE COLLEGE

## TURF FIELDS
## (BASEBALL & SOFTBALL)
## SITE PLAN

NORTH DAKOTA STATE LEGISLATURE

JANUARY, 2023

WILLISTON
STATE COLLEGE




# WILLISTON STATE COLLEGE TURF FIELDS

## SITE PLAN

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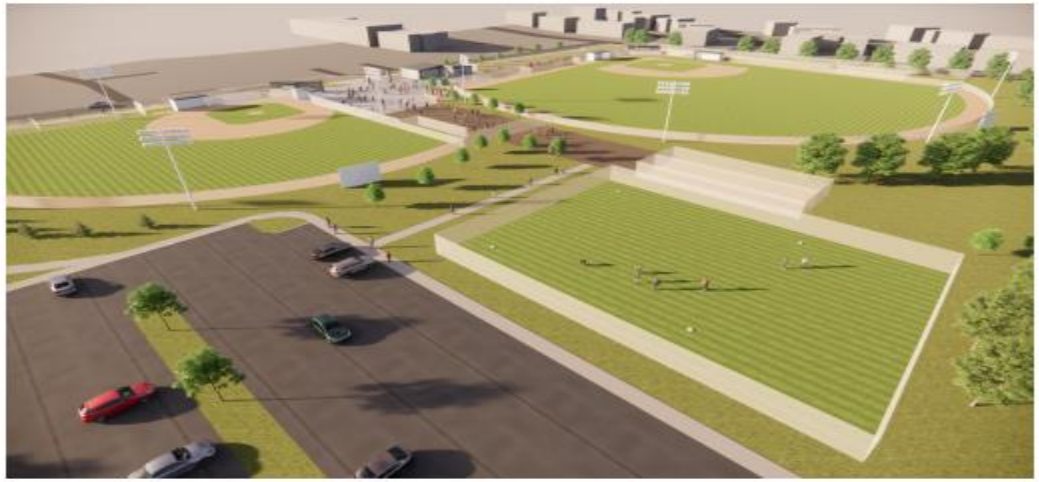

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# 68TH NORTH DAKOTA LEGISLATIVE ASSEMBLY (2023-25 BIENNIUM)

University of North Dakota Proposed Legislative Asks/Proposed Legislative Changes

## Programs and Research Support

### National Security Initiative

The House Appropriations Education and Environment Division has added $45M to the UND budget for the national security initiative. This initiative provides funding for: high-speed laser research for optical communications; satellite and space debris tracking; molecular beam epitaxy; digital engineering and a virtual reality laboratory; a cyber range; cybersecurity research infrastructure; a 3D rocket laboratory; a controlled environment field-testing facility; an autonomous system environment; and a development and test facility.

### Research and Economic Development Fund (Legacy earnings)

- Legislation creating an economic diversification research fund passed unanimously in the Senate during the last session but failed in the House. In the end, $30M was committed to research, workforce development and LIFT. HB 1379 includes $10M for research.
- Proposed research investment will be directed strategically to build research strength, train students for high-level skills, reach all campuses in NDUS, and demonstrate and report measured outcomes and ROI.
- Invest strategically, prioritize areas of state significance, expand national reputation and competitiveness, and broaden relevance to existing and new industries.
  - Energy and environmental sustainability.
  - Health care and rural health and biotechnology.
  - Agriculture and ag technology.
  - UAS and autonomous systems.
  - Advanced manufacturing and materials.
  - Cross-cutting national security challenges.
- Issue block grants to build capacity in human and physical research infrastructure (excluding new buildings) and for basic and applied research projects, programs and initiatives.

### High-Performance Computing

- $3.2M for UND portion of joint submission with NDSU.
- Internet2 Connectivity: Covers operating costs for high-speed connections and express routing between research universities in the United States, national laboratories and other research organizations.
- Computational Research Center: Supports the state-of-the-art computing resources necessary for the award and successful participation in funded activities of big data research in a variety of areas including medicine, autonomous systems, national security and energy.
- Cybersecurity Maturity Model Certification (CMMC): Funds additional staffing, equipment and licensing necessary for UND to remain eligible for DoD grants and contracts by reaching compliance with new DoD security standards for Controlled Unclassified Information (institutions must be formally certified by 2025).

### Redesignation of State Energy Research Center — SB 2161

- Removal of sunset clause; Increase funidng to $10M
- Nearly 50 State Energy Research Center (SERC) projects have been initiated over the last two biennia, already resulting in 12 new invention disclosures and seven new patent applications.
- As a result of these SERC projects, over $12M of proposals, resulting in over $6M worth of additional funding to date, have been secured to advance these ideas further.
- The Energy Hawks Program, funded through SERC, has supported 56 university students of all disciplines from UND and four other NDUS institutions to become knowledgeable North Dakota energy advocates and stewards.

## Capital Project

### Science, Engineering & National Security Corridor/STEM

- Two phases, one each of the next two biennia:
  - Engineering, Technology & National Security Corridor: $82M ($57.4M State / $24.6M Local)
  - Science and Math: $75M ($52M State/$23M Local)
- Initial funds to finish design work for bidding and site preparation (demolition of Hyslop) for a new building.
- Final design and project scope will result in demolition, remodeling and new construction involving 9 buildings. Results in a net reduction of around 200K GSF and eliminates around $175M in capital renewal needs.
- New construction geared toward modern lab spaces that cannot be designed in existing buildings with limited ceiling heights and existing structural limitations.
- Provide new, enhanced space for STEM undergraduate and graduate students in all colleges.
- The combined growth in enrollment and research activity has created a significant need in the College of Engineering & Mines (CEM) for not only more space, but also space better suited for the type of research CEM conducts.
  - Grown from roughly 1,300 students in 2010 to over 2,100 students today.
  - Offers more than 35 degrees across 17 different fields of engineering, computing and geology. Includes the addition of computer science to the CEM, along with the creation of new programs in cybersecurity, data science, biomedical engineering and systems engineering.
  - Growth in programs has coincided with increased employer demand across North Dakota in same areas.
  - CEM research has grown by more than 40% in the past several years, with over $9M in externally funded research expected this year in areas such as energy, rare earth elements, UAS and national security.

## Additional Consideration for Inflationary Impacts

- Support increase to funding formula to offset operational impact of inflation.
- Use remaining federal ARPA funding for inflationary adjustments to projects approved in the 2021 Special Session.

## For Consideration in Future Biennia

### Armory

- $8.9M remodeling budget ($7.12M in State appropriations + $1.78M in local funds).
- 20,174 GSF building completed in 1919.
- Provides adequate instructional space, office space, storage space and drill space for ROTC.
- UND's first Battalion courses were taught in 1890. Growing demand in ROTC due to having a local Air Force Base and growing relationship with U.S. Space Force. ROTC programming is important for recruitment of campus students, especially with John D. Odegard School of Aerospace Sciences students.

### Consolidated Allied Health Master Planning, Design & Construction

- $9M ($7.2M in state appropriations + $1.8M in local funds).
- Funds to begin necessary testing, design work and cost-estimating to scope a project to consolidate allied health space needs campuswide, leveraging the newer School of Medicine & Health Sciences (SMHS) building/site.
- Currently allied health programs and services are spread across 10+ buildings and utilize around 528K GSF.
- UND cannot take advantage of economies of scale and scope because the fractionated physical plant and geography related to allied health spaces. Consolidation of spaces would result in operational efficiencies, dual use of space, shared space, improved space utilization, a reduction in UND's GSF and deferred maintenance.
- SMHS laboratory space will be directly impacted by the closure of Columbia Hall, which operates a well-funded research center studying epigenetics in the basement. In addition, the Neuroscience Research Center and Biomedical Research Center have shared MEP systems with Columbia Hall. Coupled with an enormous increase in SMHS research awards, the most pressing space need for SMHS is wet and dry laboratory space. SMHS sponsored funding was up 25% in FY21 compared with FY20, and to date is up 50% in FY22.
- SMHS's continued growth and new programming help alleviate North Dakota's healthcare workforce shortage and have resulted in substantial enrollment growth in areas, such as public health and Indigenous health.

### Simulated Rural Emergency Hospital

- $6M
- Undergraduate nursing enrollment/growth is restricted due to limited local and regional agency capacity for students' clinical experiences, as well as availability of masters or doctoral prepared, qualified nurse educators.
- A portion of required direct patient care experiences in clinical agencies can be replaced by simulated clinical experiences.
- To provide comparable clinical learning experiences through simulation, qualified simulation staff, additional advanced simulation equipment, and extended, complex, and multifaceted scenarios are needed.
- A Simulated Rural Emergency Hospital (SREH) expands the nursing students' experiences to offer individual and shift-based scenarios that prepare students for patient situations that will be integral to their clinical practice.
- An SREH provides opportunities for interprofessional learning with other allied health programs (i.e. psychology, medicine, and social work) where students learn to work as a team in a safe, supported educational environment.
- Interprofessional education will lead to workforce development in critical areas, as well as prepare health care students to improve patient outcomes.
- A SREH also expands workforce training opportunities for already licensed providers in critical need areas, such as behavioral health and rural communities.

THE CHAMBER
FARGO MOORHEAD WEST FARGO

**Chamber Support for HB 1003 – NDSCS Budget**

March 7th, 2023

Chairman Sorvaag and members of the Senate Appropriations – Education and Environment Division,

For the record, my name is Katherine Grindberg and I have the pleasure of serving as the Executive Vice President for the Fargo Moorhead West Fargo (FMWF) Chamber of Commerce. The Chamber's mission is to be a catalyst for economic growth and prosperity for businesses, members, and the greater community. On behalf of our over 1,900 members, I respectfully offer testimony in support of House Bill 1003, specifically as it relates to the budget of North Dakota State College of Science (NDSCS).

North Dakota State College of Science, through their partnership with the Chamber Foundation on the Economic Development Authority (EDA) Good Jobs Challenge Grant, provides exemplary training in the agriculture technology sector. This EDA grant specifically addresses the acute workforce needs in the areas of precision agriculture, cybersecurity and technology, and advanced manufacturing. As a key partner on the grant, NDSCS is integral in the development of workforce pathways for students.

In addition to this great partnership on the EDA grant, the private sector is also thrilled to partner with the Career Workforce Innovation Center to provide experiential learning opportunities. Individuals throughout the business community have shown support for this concept through significant investment into the career workforce academy model. The programming offered at this career academy will support the workforce needs of the state both today and into the future.

Through world-class programming and state-of-the-art facilities, educational institutions like NDSCS will provide the competitive advantage to set our state apart in competing for high-demand workforce in a global marketplace. Facilities like the Precision Agriculture Tech Center will allow NDSCS's agriculture program to further grow, taking this program and the entire institution to the next level. As the program has nearly doubled in size over the past couple years, this facility expansion would provide the needed lab and classroom space.

Finally, in closing, I commend Dr. Flanigan for leading the institution along the path to a very bright future. The business community looks forward to enhancing the growth and vibrancy of North Dakota State College of Science.

On behalf of our members, I would like to thank the committee for their time and consideration this morning.

Respectfully,

Katherine Grindberg
Executive Vice President
FMWF Chamber
kgrindberg@fmwfchamber.com

**Doosan Bobcat**
250 East Beaton Dr.
West Fargo, ND 58078

March 6, 2023

Senate Appropriations – Education and Environment Division
Chairman Sorvaag
**Re: New Engineering Facility at North Dakota State University**

To whom it may concern:

Headquartered in West Fargo, North Dakota, Doosan Bobcat North America is the state's largest manufacturer and a major employer with more than 3,500 people employed at our facilities in Bismarck, Gwinner, Fargo, West Fargo and Wahpeton. We continue to grow our business – but this growth cannot continue without the next generation of engineers.

Like other manufacturers and employers in the state, recruiting, growing and retaining a quality, skilled workforce is an ongoing challenge. According to North Dakota State University (NDSU), 5,800 job openings in North Dakota last year required engineering degrees – but only 512 engineering and computer science students graduated from North Dakota's universities.

Too many engineering jobs are unfilled, and it does not have to be this way. Of the pool of North Dakota natives who graduate from NDSU, 80 percent stay for their first job – meaning there is an appetite among young professionals to build their lives here and impact the state economy.

Doosan Bobcat has hired hundreds of college students through our competitive intern and co-op program for more than 25 years. Each student receives practical work experience in various disciplines, including electrical, mechanical, industrial, manufacturing and software engineering. Today, we employ more than 850 engineers and innovation team members in North America.

As a company built on decades of engineering advancements, Doosan Bobcat is committed to investing in and developing the talent pool that will shape the next century of innovation.

And innovation only occurs in spaces equipped with the necessary workspace and technology. NDSU engineering programs are decentralized, and facilities are overcrowded. This isn't subjective: More than a decade ago, accreditors pointed out that these issues could limit the quality and capacity of NDSU's engineering programs. Little has changed since then.

In order for Bobcat and other regional companies to remain competitive, we need the best and brightest engineers working across our sites. To that end, facilities and learning environments are important to that cause. If North Dakota is to remain the leader in technology development in our region, we need to proactively educate our students at the latest facilities. Today NDSU appears to be falling behind in this area.

As the North Dakota Legislature seeks to ensure that our state stays competitive and attracts top talent, we respectfully encourage you to prioritize funding for NDSU's Center for Engineering Entrepreneurship and Innovation. As technologies move toward AI, cyber security, software

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development, autonomy, and electrification, we will need facilities that can support educating the future generations of North Dakota engineers, and therefore endorse the State of North Dakota's support for updated engineering facilities at NDSU.

Students may end up working for Doosan Bobcat, but even if they stay and put their talents to work at other companies in the state or region, it's a benefit to our communities in North Dakota.

To ensure all businesses have the workforce we need to grow and thrive, it is important to invest in the next generation of engineers and innovators who are needed to support high-growth industries that promise to invigorate businesses and communities statewide.

That's why in 2015 we donated $3 million to NDSU to fund a STEM-related scholarship program. Our gift was matched at 50% by the North Dakota Higher Education Challenge Grant Fund for a combined gift of $4.5 million. As of fall 2021, the endowment will distribute approximately $180,000 in scholarships every year in perpetuity, benefiting countless students and their families.

At Doosan Bobcat, we appreciated the funding appropriated to the Challenge Grant Fund to support the next generation, and we encourage you to build upon these efforts during this session.

Thank you for your consideration and your service on behalf of our state.

Sincerely,

**Joel Honeyman**

Vice President of Global Innovation

Doosan Bobcat North America

# Workforce Guided Workforce Driven

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**ND Senate Appropriations Committee**
March 7, 2023
Dr. Doug Jensen, BSC President

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# 2022-27 Strategic Goals

Restructured in 2022 to better align with the ND State Board of Higher Ed and industry workforce needs.

**BSC Post-COVID**

STUDENT SUCCESS

LINKING TALENT WITH OPPORTUNITY

FISCAL STABILITY

COMMUNICATION

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# ACCOMPLISHMENTS

## 2021-2023 BIENNIUM

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# #NDpoly »» ACCOMPLISHMENTS

## 2021-2023 WINS

- Enrollment increase
- Additional workforce-focused academic programs
- Unit Cost savings
- Business & Industry Leadership Teams
- ND Polytechnic groundbreaking

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# ACCOMPLISHMENTS

## ENDED A 10-YR ENROLLMENT DECLINE

**FALL 2021 to FALL 2022**
**UP 6.26%**
**in headcount**
3,771 students

**FALL 2021 to FALL 2022**
**UP 3.21%**
**in credit hours**
36,997 credit hours

**SPRING 2022 to SPRING 2023**
**UP 20.19%**
**in headcount**
3,941 students

**SPRING 2022 to SPRING 2023**
**UP 10.74%**
**in credit hours**
35,960 credit hours

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**ACCOMPLISHMENTS**

# NEW ACADEMIC PROGRAMS »»

Clinical Exercise Science

Leadership

DIESEL TECHNOLOGY

Accounting

Artificial Intelligence & Machine Learning

Financial Technologies

EXERCISE SCIENCE

FINANCE

MECHATRONICS ENGINEERING TECHNOLOGY

Career Readiness

Ranch Operations

**26 NEW DEGREES**
**to meet ND's workforce and academic opportunities (HPOs)**

Sport and Fitness Technology

STEM College Studies

Sport and Fitness Pedagogy

Exercise & Sports Studies

Graphic Design Technology

**Print and Digital Publications**

Sport and Fitness Management

Environmental and Safety Regulations

Applied College Studies

Medical Laboratory Technician

MANAGEMENT

Integrated Studies

DIGITAL BROADCASTING

Communication & Humanities College Studies

Sport and Fitness Entrepreneurship

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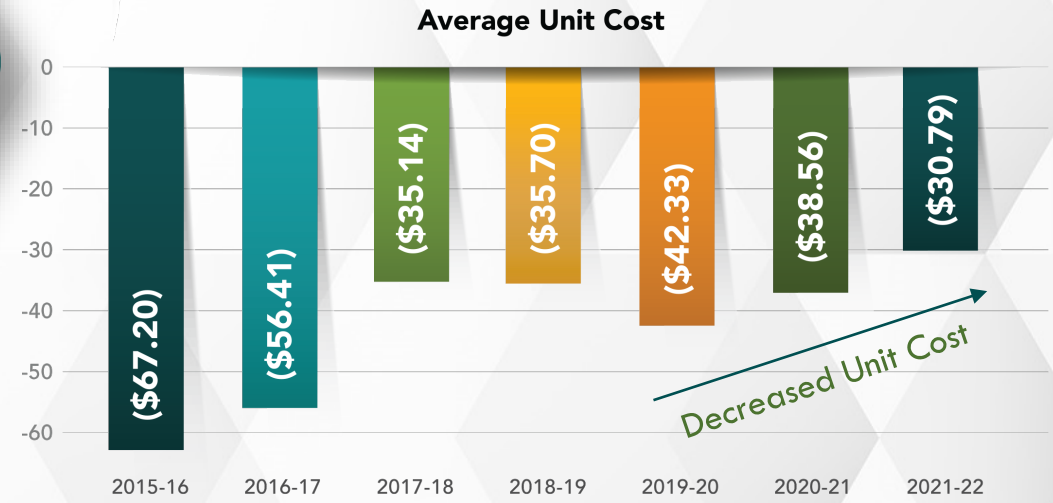
**ACCOMPLISHMENTS**

# $1 Million UNIT COST SAVINGS

## $1 MILLION

### REVENUE SUCCESS

BSC saved $11.54 per instructional hour or $1M in productivity in the last two years.




**$1 SAVED = $92,000 FOR THE INSTITUTION**

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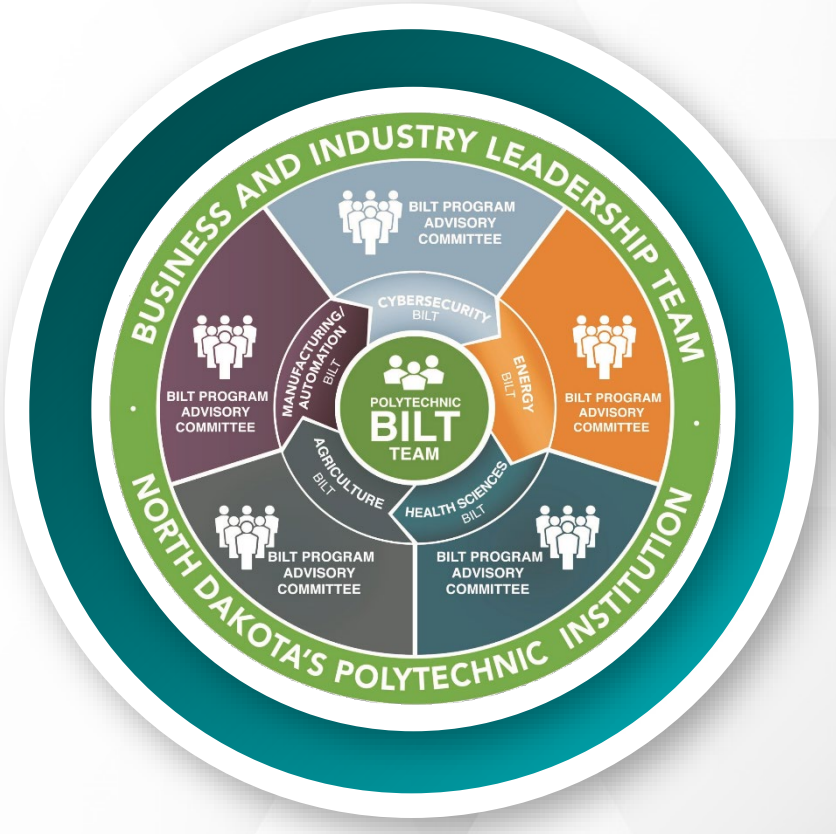
ACCOMPLISHMENTS

11 BILTs

# BUSINESS & INDUSTRY LEADERSHIP TEAMS




## BILTs are the Core of Polytechnic Education

They offer direct input in workforce program pathways and curriculum development as well as provide strategic feedback on industry trends and the knowledge, skills and abilities required in the high-demand careers of the future.

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**ACCOMPLISHMENTS**

# GROUNDBREAKING
# ND's POLYTECH

November 29, 2022

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# FUTURE LEARNING SPACES

# FLEX LABS

Academic collaborative project spaces to work with industry

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# CHALLENGES

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# #NDpoly CHALLENGES

## INFLATION IMPACTING

- Day-to-day operational costs
- Increased cost to deliver workforce academic programs
- Student affordability
  - Average BSC student is age 25+
- Staffing and talent retention
- Increasing construction costs – $10M shortage (see addendum)

# #NDpoly CHALLENGES

## FUNDING FORMULA

Despite being 5th in state appropriations in the NDUS

## BSC IS

- 3rd highest NDUS enrollment
- 1st in NDUS enrollment growth
  - Up 13% over last year
- 3rd lowest tuition in the NDUS

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# CHALLENGES

## FUNDING FORMULA

In the CTE division, BSC had a 26% spending increase.

2018-2019 Spending = $8.6M
2020-2021 Spending = $10.8M

**$2.2M Increase**

**An increase to a weight of 5 in the CTE funding formula would allow for growth in those programs.**

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# CHALLENGES

## PROPOSED TUITION FREEZE

- Impacts 2023-25 operations
- Reduces the college's ability to respond to increased operational costs
- Restricts new workforce programming as the polytechnic mission focuses on high-cost programs for high-priority occupations
- **BSC's current tuition is 3rd lowest in the NDUS at $174/credit**

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# NEXT BIENNIUM GOALS

2023-2025

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# #NDpoly GOALS

## 2023-2025 GOALS

**#1** Expand ND workforce

**#2** Advance economic and workforce development through public/private partnerships

**#3** Increase fiscal stability by managing enrollment and reducing unit cost

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# #NDpoly GOALS

## 2023-2025 GOALS

**#4** Expand and strengthen K-12 and CTE partnerships

**#5** Advance the polytechnic mission as North Dakota's Polytechnic Institution

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# AUDIT FINDINGS

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# AUDIT FINDINGS REPORT

BSC had zero audit findings

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# CURRENT ONE-TIME FUNDING REPORT

## 2021-2023 BIENNIUM

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# One-time Funding Report

## 2021-23 One-time Funding for Polytechnic Mission Expansion

| | Recruitment<br>Curriculum Development | Building Construction Architect<br>Design Fees<br>Site Improvements |
|---|---|---|
| **$3M Polytechnic Start-up Funds** | | |
| Total Funding | $ 3,000,000 | |
| Total Spent To Date | $ 255,644 | |
| Remaining Balance | $2,744,356 | |
| **$35M Polytechnic Building Funds** | | |
| Total Funding | | $ 35,000,000 |
| Total Spent To Date | | $ 1,880,830 |
| Remaining Balance | | $33,119,170 |
| Anticipated Inflationary Shortage | | $10,000,000 |

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# ONE-TIME FUNDING REQUESTS

## 2023-2025 BIENNIUM

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# ONE-TIME FUNDING REQUESTS

## 2023-25 REQUESTS

**#1** Inflationary impact on construction costs for polytechnic facility – $10M

**#2** Multi-Purpose Facility Academic/Athletic Performance Center – $29.9M

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# ONE-TIME FUNDING REQUEST #1

## POLYTECHNIC FACILITY COST INFLATION

Inflationary impact on construction costs for polytechnic facility – $10M

EXAMPLES:

- Metals = 52% increase
- Roof = 57% increase
- HVAC = 46% increase

Overall inflationary increase = 29%

**Details in addendum*

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# ONE-TIME FUNDING REQUEST #2

## MULTI-PURPOSE FACILITY ACADEMIC/ATHLETIC PERFORMANCE CENTER

- Expands academic programming
- Brings us into compliance with Title IX and ADA
- Addresses current facility deficiencies

Current multi-purpose facility (Armory) includes:

| | |
|---|---|
| Classrooms | Offices |
| Computer labs | Media labs |
| Student Media Studio | Training rooms |
| Locker rooms | Competition courts |

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# ONE-TIME FUNDING REQUEST #2

## MULTI-PURPOSE FACILITY ACADEMIC/ATHLETIC PERFORMANCE CENTER

**Title IX Compliance**

Title IX is a federal civil rights law prohibiting sex-based discrimination at any educational institution receiving federal funding.

Current facility (BSC Armory) has compliance risks

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# ONE-TIME FUNDING REQUEST #2

## EXISTING COMPLIANCE RISK ISSUES

### Title IX Compliance Risks

Provision of Locker Rooms, Practice & Competitive Facilities 34 C.F.R. §106.41(c)(7):

(1) the quality and availability of the facilities provided for practice and competitive events;
(2) the exclusivity of use of facilities provided for practice and competitive events;
(3) the availability of locker rooms;
(4) the quality of locker rooms;
(5) the maintenance of practice and competitive facilities; and
(6) the preparation of facilities for practice and competitive events.

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# ONE-TIME FUNDING REQUEST #2

## EXISTING COMPLIANCE RISK ISSUES

**Title IX Compliance Risks**

Federal compliance seeks parity among educational facilities, including athletic facilities.

Quality involves equitable lockers, seating, lighting, flooring, maneuvering space, numbers of toilets, showers, and sinks.
(Source: Title IX Athletics Handbook)

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# ONE-TIME FUNDING REQUEST #2

## EXISTING COMPLIANCE RISK ISSUES

**Title IX Compliance Risk Examples**

Female locker rooms do not have plumbing

Female athletes cannot shower and have to use public restroom during games/practices whereas male student-athletes have access to private facilities

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# ONE-TIME FUNDING REQUEST #2

## EXISTING COMPLIANCE RISK ISSUES

**Americans with Disabilities Act (ADA) Violations**

Non-compliant spaces: restrooms, classrooms, instructional lab space, hallways, offices, media studio, concessions

Gymnasium seating does not accommodate individuals with special needs – must sit within one foot of the court

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# ONE-TIME FUNDING REQUEST #2

## ADDITIONAL CURRENT FACILITY DEFICIENCIES

**#1** Not equipped with a fire suppression system

**#2** No external air exchange to building interior

**#3** 2 of 4 air handling systems not operational

**#4** Portion of building already removed due to soil conditions and early construction techniques

**#5** Presence of asbestos

**#6** No central air conditioning

**#7** Doors/walls too close to competition floor

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# ONE-TIME FUNDING REQUEST #2

## THAI HAGGIN

Mystics Head Women's Basketball Coach

- Coaching 6 years at BSC

Career as a college student-athlete

- 2-time All-NDCAC selection
- 4-time NDCAC championship team
- 2000 NAIA championship team
- U-Mary Hall of Fame

## JENNA RUST

Multi-sport BSC student-athlete from Alkabo, ND

- Agronomy student
- Mystics Volleyball Team Captain
  - Went to 2022 NJCAA National Tourney
- President's Honor Roll

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# ONE-TIME FUNDING REQUEST #2

## MULTI-PURPOSE FACILITY ACADEMIC/ATHLETIC PERFORMANCE CENTER

- Mitigates compliance risk
- Provides a Title IX compliant multi-purpose academic facility
- Expands workforce development for the fields of ambulatory patient care, exercise science, clinical exercise therapy, physical mobility, etc.
- Expands academic programming to support regional and rural areas in ND

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# ONE-TIME FUNDING REQUEST #2

## MULTI-PURPOSE FACILITY ACADEMIC/ATHLETIC PERFORMANCE CENTER

**Business & Industry Focused**

- Includes the potential addition of an industry-supported health and wellness clinic
- Expands healthcare services with the potential addition of a clinic to facilitate hands-on student learning
- BSC has raised the match donation

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# ONE-TIME FUNDING REQUEST #2

## MULTI-PURPOSE FACILITY ACADEMIC/ATHLETIC PERFORMANCE CENTER

To address the compliance and risk issues and expand polytechnic academic programming, BSC requests $29.9M in funding for this multi-purpose facility.

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# ADDENDUM

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#22675

# Polytechnic Building

## 2021 Cost Estimate compared to 2023 Cost Estimate

Building 88,590 GSF
Pedestrian Walkway 896 GSF

| Description | 2021 | 2023 | Increase |
|---|---|---|---|
| Sitework/Earthwork | 2,512,622 | 2,785,669 | 273,047 |
| Storage Building/Nacell Tower | 672,752 | 947,715 | 274,963 |
| Existing Conditions - Demolition | 60,500 | 67,500 | 7,000 |
| Concrete | 2,388,336 | 2,829,255 | 440,919 |
| Masonry | 718,938 | 918,147 | 199,209 |
| Metals | 3,100,635 | 4,705,836 | 1,605,201 |
| Wood, Plastics, and Composites | 422,579 | 449,924 | 27,345 |
| Thermal and Moisture Protection - Roof | 2,620,523 | 4,106,131 | 1,485,608 |
| Openings | 1,543,898 | 2,438,587 | 894,689 |
| Finishes - Flooring | 2,641,581 | 3,083,590 | 442,009 |
| Furnishings and Equipment (Elevator) | 1,525,710 | 1,919,855 | 394,145 |
| Fire Suppression and Specialties/Accessories | 432,369 | 555,505 | 123,136 |
| Plumbing | 995,893 | 1,090,712 | 94,819 |
| HVAC | 3,619,064 | 5,267,563 | 1,648,499 |
| Integrated Automation | 358,840 | 448,326 | 89,486 |
| Electrical | 1,544,617 | 2,057,146 | 512,529 |
| Communications | 652,660 | 723,355 | 70,695 |
| Electronic Safety and Security | 335,573 | 402,687 | 67,114 |
| Exterior Improvements | 1,104,343 | 1,257,698 | 153,355 |
| General Conditions | 1,330,942 | 1,363,111 | 32,169 |
| Utilities/Fencing/Testing/Inspection/Etc | 982,462 | 1,063,520 | 81,058 |
| Permit/Bond/Builder Risk/Liability | 353,314 | 526,417 | 173,103 |
| Construction Fee | 331,782 | 499,972 | 168,190 |
| Architect/Structural/Civil/Soil Testing | 2,254,055 | 2,633,201 | 379,146 |
| Contingency | 1,634,926 | 2,398,511 | 763,585 |
| FFE | 1,250,000 | 1,592,000 | 342,000 |
| | 35,388,914 | 46,131,933 | 10,195,009 |

BISMARCK STATE COLLEGE | NORTH DAKOTA'S POLYTECHNIC INSTITUTION

2022-2027

# STRATEGIC PLAN

**Crafted with input from faculty, students, administrators, alumni, the community and industry partners to align with the ND State Board of Higher Education and industry workforce needs.**

## OUR MISSION GUIDES US

*As North Dakota's Polytechnic Institution, Bismarck State College focuses on student success through the delivery of affordable, flexible, high-quality, experiential learning enhanced by public-private partnerships.*

## OUR VISION INSPIRES US

*Bismarck State College will be a leader in polytechnic education improving lives and building sustainable communities.*

## OUR VALUES UNITE US

**Student Success:** *We value all students and provide them with the support to achieve their goals.*

**Teamwork:** *We value collaboration in the pursuit of common goals.*

**Partnerships:** *We value interconnected and mutually beneficial relationships with local, state, national and international stakeholders.*

**Inclusion:** *We value authentic engagement with diverse people, beliefs and ideas.*

**Integrity:** *We value ethical and reliable practices.*


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BISMARCK STATE COLLEGE | North Dakota's Polytechnic Institution

# STRATEGIC PLAN OVERVIEW

GOAL #1

## Student Success

Ensuring students have the academic and career pathways to achieve their educational and career goals.

GOAL #2

## Linking Talent with Opportunity

Creating sustainable communities through workforce development, economic development and community development.

GOAL #3

## Fiscal Stability

Efficiently serving our students and public and private partners.

GOAL #4

## Communication

Staying connected with students and our communities.

## LEARN MORE

Dig deeper into the BSC strategic plan, goals and objectives at

bismarckstate.edu/BSCstrategicplan

Polytechnic
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BISMARCK STATE COLLEGE | North Dakota's Polytechnic Institution

STRATEGIC PLAN 2022-2027

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# UNIT COST »» Improving Fiscal Efficiency and Program Vitality

BISMARCK STATE COLLEGE | North Dakota's Polytechnic Institution

## $1 MILLION

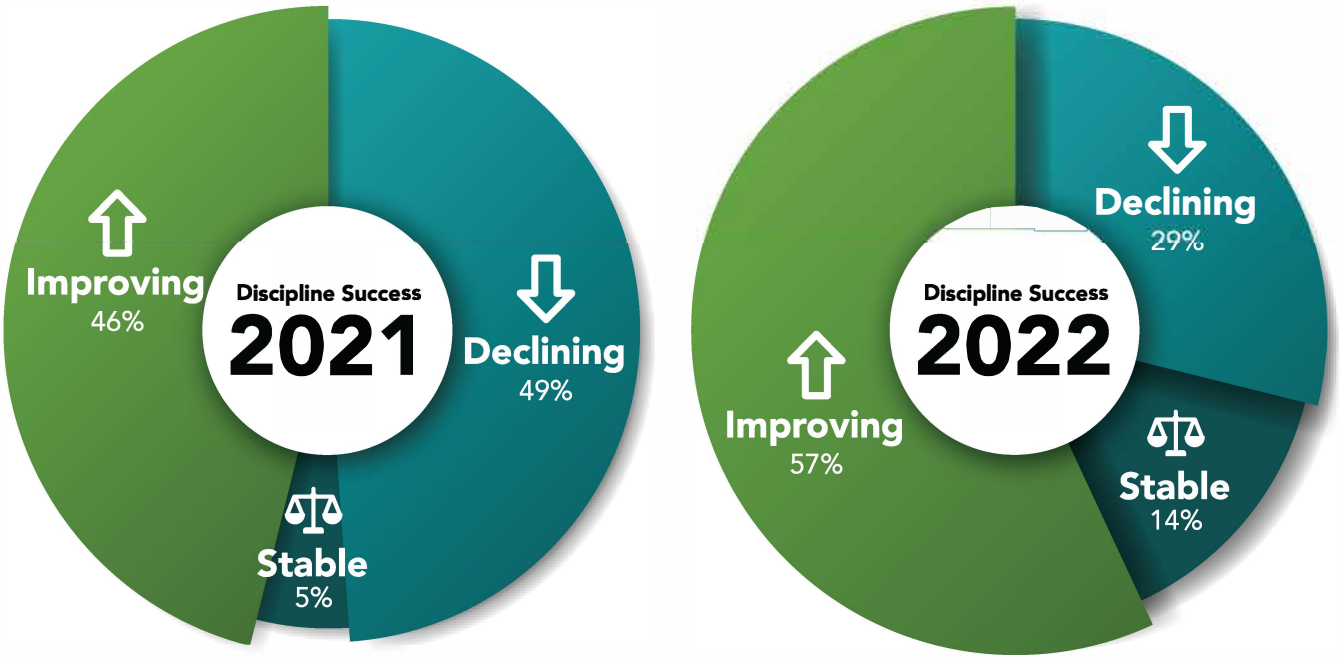
### REVENUE SUCCESS

BSC saved $11.54 per instructional hour or $1M in productivity in the last two years.

**$1 SAVED = $92,000 FOR THE INSTITUTION**

## Unit Cost

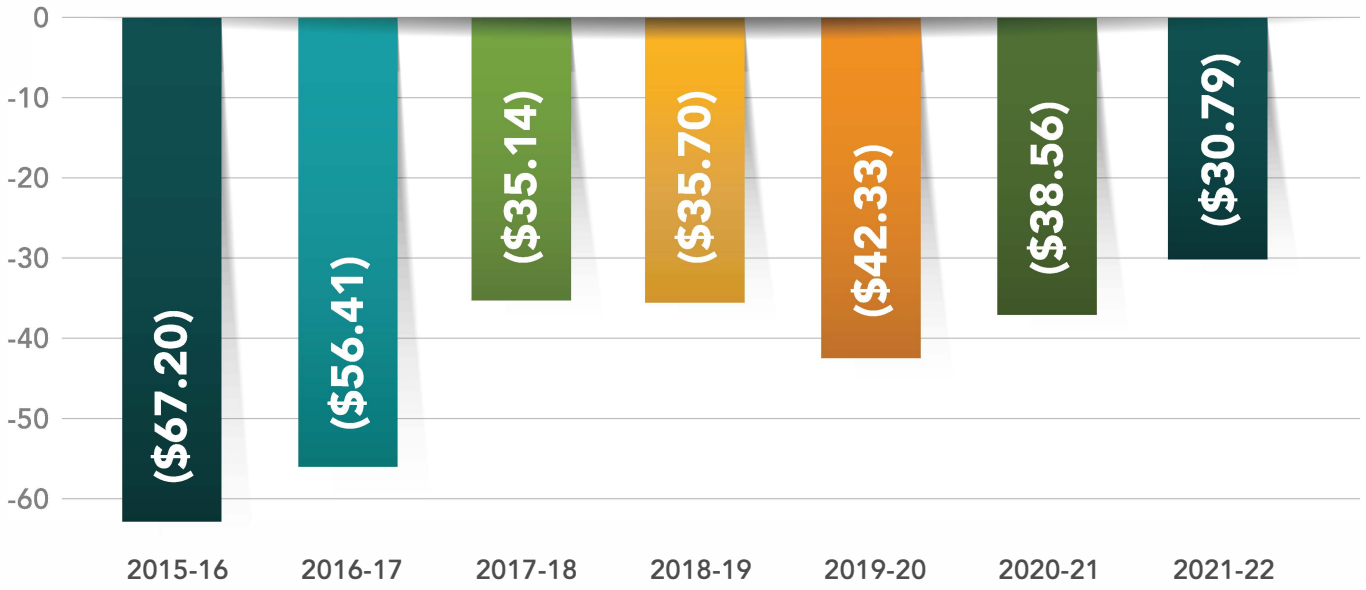
Unit Cost looks at net revenue per instructional hour by discipline. Tuition Revenue per instructional hour less costs by instructional hour. It only uses factors that are influenced by faculty, assistant deans, and deans. It helps balance fiscal bottom line with mission bottom line.




### Unit Cost Discipline Success

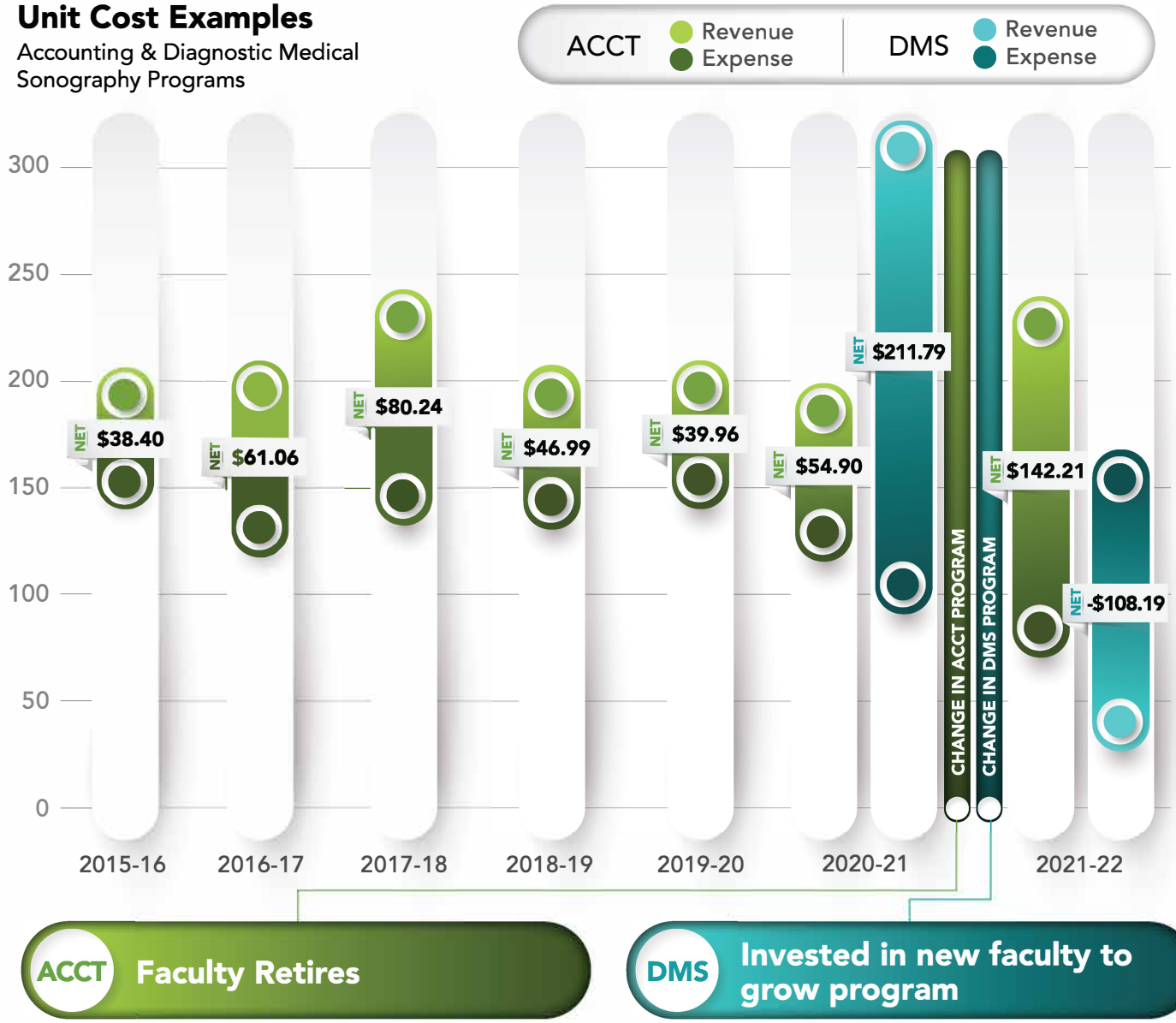
We saw disciplines moving in the right direction from declining to stable or to positive.

## Average Unit Cost




## Unit Cost Examples

Accounting & Diagnostic Medical Sonography Programs



| 2016-17 | | | | 2017-18 | | | | 2018-19 | | | | 2019-20 | | | | 2020-21 | | | | 2021-22 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost |
| ABOD | 100.36 | 302.62 | (202.26) | ABOD | 105.71 | 280.79 | (175.08) | ABOD | 113.18 | 298.07 | (184.89) | ABOD | 170.42 | 310.16 | (139.74) | ABOD | 133.94 | 299.32 | (165.38) | ABOD | 174.91 | 315.97 | (141.07) |
| ACCT | 198.50 | 137.44 | 61.06 | ACCT | 227.56 | 147.32 | 80.24 | ACCT | 193.34 | 146.35 | 46.99 | ACCT | 195.41 | 155.45 | 39.96 | ACCT | 181.03 | 126.13 | 54.90 | ACCT | 224.52 | 82.30 | 142.21 |
| AGEC | 141.40 | 222.37 | (80.97) | AGEC | 140.25 | 197.10 | (56.85) | AGEC | 166.99 | 199.78 | (32.79) | AGEC | 152.67 | 231.45 | (78.78) | AGEC | 193.35 | 215.24 | (21.89) | AGEC | 184.81 | 223.89 | (39.08) |
| AGRI | 144.65 | 383.38 | (238.73) | AGRI | 134.79 | 379.02 | (244.23) | AGRI | 122.50 | 294.52 | (172.02) | AGRI | 122.21 | 317.75 | (195.54) | AGRI | 167.48 | 402.72 | (235.24) | AGRI | 126.99 | 263.47 | (136.49) |
| ANSC | 145.77 | 250.62 | (104.85) | ANSC | 135.28 | 222.62 | (87.34) | ANSC | 174.66 | 219.41 | (44.75) | ANSC | 165.51 | 233.42 | (67.91) | ANSC | 160.90 | 185.73 | (24.83) | ANSC | 216.89 | 250.95 | (34.06) |
| | | | | | | | | ANTH | 60.27 | 54.34 | 5.93 | ANTH | 51.87 | 53.65 | (1.78) | ANTH | 65.22 | 54.65 | 10.57 | | | | |
| ART | 82.59 | 225.46 | (142.87) | ART | 81.95 | 196.21 | (114.26) | ART | 91.47 | 197.52 | (106.05) | ART | 108.54 | 219.17 | (110.63) | ART | 104.84 | 229.36 | (124.52) | ART | 127.67 | 215.98 | (88.30) |
| ASC | 130.29 | 149.96 | (19.67) | ASC | 131.64 | 113.49 | 18.15 | ASC | 133.72 | 114.01 | 19.71 | ASC | 123.63 | 125.06 | (1.43) | ASC | 138.98 | 125.15 | 13.83 | ASC | 128.58 | 131.40 | (2.82) |
| ASM | 131.51 | 163.07 | (31.56) | ASM | 119.58 | 106.29 | 13.29 | ASM | 97.17 | 79.36 | 17.81 | ASM | 130.00 | 126.50 | 3.50 | ASM | 106.22 | 120.84 | (14.62) | ASM | 121.69 | 120.49 | 1.20 |
| ASTR | 117.20 | 51.24 | 65.96 | ASTR | 78.97 | 70.11 | 8.86 | ASTR | 136.08 | 79.96 | 56.12 | ASTR | 127.03 | 59.71 | 67.32 | ASTR | 143.28 | 60.00 | 83.28 | ASTR | 117.40 | 54.66 | 62.74 |
| AUTO | 82.77 | 254.07 | (171.30) | AUTO | 87.54 | 279.52 | (191.98) | AUTO | 123.99 | 290.49 | (166.50) | AUTO | 110.59 | 298.24 | (187.65) | AUTO | 112.61 | 295.45 | (182.84) | AUTO | 143.09 | 290.76 | (147.68) |
| BADM | 232.07 | 124.81 | 107.26 | BADM | 238.92 | 108.20 | 130.72 | BADM | 249.15 | 153.59 | 95.56 | BADM | 229.16 | 110.95 | 118.21 | BADM | 198.42 | 101.22 | 97.20 | BADM | 207.19 | 114.62 | 92.57 |
| BIOL | 170.07 | 192.39 | (22.32) | BIOL | 161.96 | 219.81 | (57.85) | BIOL | 166.56 | 217.35 | (50.79) | BIOL | 174.24 | 213.75 | (39.51) | BIOL | 174.29 | 186.05 | (11.76) | BIOL | 169.31 | 168.45 | 0.85 |
| BOT | 56.95 | 192.81 | (135.86) | | | | | | | | | | | | | | | | | | | | |
| BOTE | 84.16 | 117.13 | (32.97) | BOTE | 111.22 | 112.54 | (1.32) | BOTE | 89.95 | 100.50 | (10.55) | BOTE | 84.17 | 97.55 | (13.38) | BOTE | 112.35 | 93.13 | 19.22 | BOTE | 127.37 | 91.92 | 35.44 |
| BUSN | 220.93 | 224.33 | (3.40) | BUSN | 233.34 | 170.37 | 62.97 | BUSN | 191.05 | 169.40 | 21.65 | BUSN | 195.80 | 167.20 | 28.60 | BUSN | 174.63 | 182.71 | (8.08) | BUSN | 231.32 | 176.36 | 54.97 |
| CAD | 109.35 | 196.58 | (87.23) | CAD | 87.70 | 150.85 | (63.15) | CAD | 82.17 | 179.16 | (96.99) | CAD | 60.06 | 193.67 | (133.61) | CAD | 88.83 | 195.71 | (106.88) | CAD | 78.27 | 181.53 | (103.27) |
| CARP | 113.90 | 317.16 | (203.26) | CARP | 66.89 | 228.92 | (162.03) | CARP | 165.00 | 336.84 | (171.84) | CARP | 149.15 | 309.41 | (160.26) | CARP | 200.66 | 332.25 | (131.59) | CARP | 235.39 | 316.82 | (81.43) |
| CHEM | 141.84 | 178.68 | (36.84) | CHEM | 138.04 | 186.54 | (48.50) | CHEM | 134.63 | 182.11 | (47.48) | CHEM | 174.77 | 195.14 | (20.37) | CHEM | 179.62 | 173.47 | 6.15 | CHEM | 161.33 | 181.78 | (20.44) |
| CIS | 76.40 | 117.18 | (40.78) | CIS | 88.95 | 119.52 | (30.57) | CIS | 114.95 | 151.73 | (36.78) | CIS | 135.50 | 145.72 | (10.22) | CIS | 166.22 | 170.76 | (4.54) | CIS | 153.70 | 143.31 | 10.38 |
| | | | | | | | | | | | | CIT | 80.00 | 166.41 | (86.41) | CIT | 167.93 | 274.33 | (106.40) | CIT | 152.22 | 133.85 | 18.36 |
| CJ | 185.58 | 105.04 | 80.54 | CJ | 193.05 | 143.77 | 49.28 | CJ | 188.65 | 153.98 | 34.67 | CJ | 207.59 | 171.20 | 36.39 | CJ | 192.61 | 179.46 | 13.15 | CJ | 160.50 | 141.53 | 18.97 |
| COMM | 91.75 | 126.23 | (34.48) | COMM | 94.18 | 113.99 | (19.81) | COMM | 96.27 | 123.22 | (26.95) | COMM | 100.84 | 141.67 | (40.83) | COMM | 107.97 | 154.58 | (46.61) | COMM | 92.89 | 85.73 | 7.16 |
| CSCI | 129.43 | 114.74 | 14.69 | CSCI | 143.02 | 157.83 | (14.81) | CSCI | 161.69 | 146.95 | 14.74 | CSCI | 168.43 | 202.24 | (33.81) | CSCI | 160.55 | 190.06 | (29.51) | CSCI | 189.70 | 182.18 | 7.52 |
| CT | 52.65 | 248.77 | (196.12) | CT | 86.43 | 181.88 | (95.45) | CT | 66.67 | 166.65 | (99.98) | CT | 77.00 | 157.95 | (80.95) | CT | 83.63 | 167.04 | (83.41) | CT | 97.15 | 153.83 | (56.68) |
| | | | | | | | | | | | | | | | | DMS | 313.82 | 102.03 | 211.79 | DMS | 46.70 | 154.88 | (108.19) |
| ECON | 239.09 | 137.34 | 101.75 | ECON | 250.23 | 185.22 | 65.01 | ECON | 255.34 | 129.66 | 125.68 | ECON | 238.36 | 113.45 | 124.91 | ECON | 230.32 | 119.81 | 110.51 | ECON | 263.18 | 138.55 | 124.63 |
| EDUC | 124.41 | 132.01 | (7.60) | EDUC | 132.77 | 133.93 | (1.16) | EDUC | 151.25 | 133.19 | 18.06 | EDUC | 166.72 | 140.99 | 25.73 | EDUC | 143.13 | 154.48 | (11.35) | EDUC | 124.90 | 123.30 | 1.60 |
| EE | 22.78 | 86.98 | (64.20) | EE | 23.69 | 77.04 | (53.35) | EE | 39.61 | 102.51 | (62.90) | EE | | | | EE | 30.10 | 55.04 | (24.94) | | | | |
| ELEC | 94.47 | 207.82 | (113.35) | ELEC | 102.62 | 187.25 | (84.63) | ELEC | 111.72 | 188.79 | (77.07) | ELEC | 143.52 | 202.18 | (58.66) | ELEC | 146.51 | 216.43 | (69.92) | ELEC | 110.16 | 179.61 | (69.45) |
| ELPW | 250.43 | 188.63 | 61.80 | ELPW | 249.06 | 132.45 | 116.61 | ELPW | 317.19 | 117.67 | 199.52 | ELPW | 303.29 | 116.31 | 186.98 | ELPW | 296.20 | 202.36 | 93.84 | ELPW | 300.34 | 174.32 | 126.02 |
| EMS | 86.20 | 239.91 | (153.71) | EMS | 76.65 | 251.63 | (174.98) | EMS | 88.25 | 218.72 | (130.47) | EMS | 134.20 | 328.28 | (194.08) | EMS | 134.92 | 270.83 | (135.91) | EMS | 202.26 | 308.24 | (105.98) |
| ENGL | 126.59 | 120.78 | 5.81 | ENGL | 140.37 | 120.60 | 19.77 | ENGL | 142.73 | 137.96 | 4.77 | ENGL | 148.11 | 134.18 | 13.93 | ENGL | 139.91 | 134.11 | 5.80 | ENGL | 139.53 | 123.22 | 16.31 |
| ENGR | 88.63 | 190.21 | (101.58) | ENGR | 81.72 | 181.35 | (99.63) | ENGR | 89.06 | 165.54 | (76.48) | ENGR | 102.66 | 157.69 | (55.03) | ENGR | 84.46 | 135.73 | (51.27) | ENGR | 60.18 | 115.87 | (55.69) |
| ENRG | 282.29 | 160.79 | 121.50 | ENRG | 289.89 | 114.19 | 175.70 | ENRG | 305.16 | 142.96 | 162.20 | ENRG | 296.09 | 137.81 | 158.28 | ENRG | 258.77 | 212.05 | 46.72 | ENRG | 348.01 | 235.92 | 112.08 |
| ENRT | 240.13 | 219.65 | 20.48 | ENRT | 236.76 | 201.95 | 34.81 | ENRT | 242.71 | 223.68 | 19.03 | ENRT | 246.41 | 229.61 | 16.80 | ENRT | 217.59 | 254.68 | (37.09) | ENRT | 248.92 | 318.79 | (69.86) |
| ESRE | 73.06 | 178.28 | (105.22) | ESRE | 92.94 | 156.43 | (63.49) | ESRE | 60.17 | 182.64 | (122.47) | ESRE | 100.69 | 164.79 | (64.10) | ESRE | 103.25 | 255.14 | (151.89) | ESRE | 115.68 | 271.80 | (156.12) |
| ETST | 214.51 | 129.63 | 84.88 | ETST | 206.83 | 109.04 | 97.79 | ETST | 275.86 | 141.36 | 134.50 | ETST | 253.07 | 144.06 | 109.01 | ETST | 306.01 | 229.78 | 76.23 | ETST | 263.59 | 189.92 | 73.66 |
| FYE | 112.44 | 138.04 | (25.60) | | | | | | | | | | | | | | | | | | | | |
| GDES | 108.36 | 191.35 | (82.99) | GDES | 93.77 | 194.46 | (100.69) | GDES | 72.64 | 185.91 | (113.27) | GDES | 80.59 | 195.19 | (114.60) | GDES | 84.76 | 213.32 | (128.56) | GDES | 92.83 | 143.26 | (50.43) |
| GEOG | 169.52 | 155.00 | 14.52 | GEOG | 142.95 | 137.86 | 5.09 | GEOG | 111.99 | 129.77 | (17.78) | GEOG | 160.21 | 145.10 | 15.11 | GEOG | 161.90 | 150.46 | 11.44 | GEOG | 153.53 | 188.89 | (35.36) |
| GEOL | 94.68 | 86.75 | 7.93 | GEOL | 92.79 | 98.52 | (5.73) | GEOL | 58.19 | 66.57 | (8.38) | GEOL | 69.17 | 67.66 | 1.51 | GEOL | 97.83 | 73.20 | 24.63 | GEOL | 83.49 | 69.26 | 14.22 |
| GIS | 64.23 | 161.31 | (97.08) | GIS | 97.00 | 94.89 | 2.11 | GIS | 100.50 | 80.50 | 20.00 | GIS | 84.50 | 90.37 | (5.87) | GIS | 133.63 | 123.51 | 10.12 | GIS | 77.28 | 111.94 | (34.65) |
| H&CE | 120.29 | 112.70 | 7.59 | H&CE | 168.78 | 113.06 | 55.72 | H&CE | 140.77 | 201.89 | (61.12) | H&CE | 186.33 | 220.90 | (34.57) | H&CE | 205.45 | 192.39 | 13.06 | H&CE | 210.71 | 233.21 | (22.50) |
| HIST | 191.77 | 164.18 | 27.59 | HIST | 190.01 | 103.55 | 86.46 | HIST | 172.21 | 104.77 | 67.44 | HIST | 159.80 | 113.61 | 46.19 | HIST | 149.72 | 135.47 | 14.25 | HIST | 166.74 | 139.20 | 27.55 |
| HMSV | 94.39 | 67.41 | 26.98 | HMSV | 102.05 | 66.89 | 35.16 | HMSV | 96.14 | 66.22 | 29.92 | HMSV | 98.67 | 74.50 | 24.17 | HMSV | 113.51 | 125.02 | (11.51) | HMSV | 88.70 | 88.00 | 0.70 |
| HPER | 119.68 | 334.23 | (214.55) | HPER | 154.98 | 300.90 | (145.92) | HPER | 155.44 | 315.31 | (159.87) | HPER | 135.11 | 338.42 | (203.31) | HPER | 137.93 | 460.16 | (322.23) | HPER | 139.86 | 425.84 | (285.98) |
| HUMS | 146.41 | 128.15 | 18.26 | HUMS | 113.47 | 104.21 | 9.26 | HUMS | 124.76 | 123.84 | 0.92 | HUMS | 134.68 | 137.27 | (2.59) | HUMS | 114.76 | 144.71 | (29.95) | HUMS | 163.49 | 154.78 | 8.71 |
| HVAC | 121.49 | 185.26 | (63.77) | HVAC | 109.93 | 180.87 | (70.94) | HVAC | 120.00 | 201.29 | (81.29) | HVAC | 150.80 | 201.08 | (50.28) | HVAC | 142.00 | 136.38 | 5.62 | HVAC | 177.72 | 160.32 | 17.40 |
| ICTL | 84.81 | 220.60 | (135.79) | ICTL | 84.81 | 208.72 | (123.91) | ICTL | 130.66 | 194.64 | (63.98) | ICTL | 142.47 | 231.17 | (88.70) | ICTL | 159.55 | 314.36 | (154.81) | ICTL | 109.56 | 172.07 | (62.51) |
| LNWK | 298.52 | 531.70 | (233.18) | LNWK | 329.59 | 595.41 | (265.82) | LNWK | 401.35 | 631.78 | (230.43) | LNWK | 415.69 | 617.84 | (202.15) | LNWK | 532.47 | 692.50 | (160.03) | LNWK | 486.37 | 605.49 | (119.12) |
| MATH | 102.61 | 92.52 | 10.09 | MATH | 102.23 | 95.68 | 6.55 | MATH | 106.85 | 103.96 | 2.89 | MATH | 105.25 | 107.45 | (2.20) | MATH | 99.09 | 107.54 | (8.45) | MATH | 95.93 | 104.42 | (8.49) |
| MICR | 199.34 | 219.47 | (20.13) | MICR | 179.94 | 220.88 | (40.94) | MICR | 180.53 | 222.91 | (42.38) | MICR | 209.31 | 228.09 | (18.78) | MICR | 191.06 | 188.27 | 2.79 | MICR | 183.79 | 178.34 | 5.45 |
| MLS | 44.80 | 199.01 | (154.21) | MLS | 47.54 | 94.36 | (46.82) | MLS | 46.16 | 111.16 | (65.00) | MLS | 102.58 | 186.15 | (83.57) | MLS | 114.23 | 136.17 | (21.94) | MLS | 99.64 | 148.15 | (48.51) |
| MMAT | 136.84 | 277.58 | (140.74) | MMAT | 97.54 | 239.29 | (141.75) | MMAT | 93.78 | 262.13 | (168.35) | MMAT | 78.14 | 228.26 | (150.12) | MMAT | 78.62 | 221.88 | (143.26) | MMAT | 111.66 | 231.86 | (120.20) |
| MS | 59.64 | 167.73 | (108.09) | | | | | | | | | | | | | | | | | | 0.00 | 0.00 | |
| MUSC | 70.30 | 173.74 | (103.44) | MUSC | 58.42 | 173.18 | (114.76) | MUSC | 65.17 | 148.55 | (83.38) | MUSC | 76.42 | 170.94 | (94.52) | MUSC | 68.17 | 202.79 | (134.62) | MUSC | 69.83 | 230.85 | (161.02) |
| NUPT | 71.32 | 223.84 | (152.52) | NUPT | 131.87 | 194.56 | (62.69) | NUPT | 91.89 | 184.43 | (92.54) | NUPT | 74.69 | 190.23 | (115.54) | NUPT | 76.52 | 177.51 | (100.99) | NUPT | 56.49 | 174.42 | (117.93) |
| NURS | 95.56 | 217.09 | (121.53) | NURS | 88.71 | 253.80 | (165.09) | NURS | 122.03 | 203.62 | (81.59) | NURS | 146.28 | 280.51 | (134.23) | NURS | 321.53 | 473.36 | (151.83) | NURS | 262.34 | 348.21 | (85.86) |
| NUTR | 188.66 | 160.22 | 28.44 | NUTR | 204.54 | 171.71 | 32.83 | NUTR | 183.55 | 180.53 | 3.02 | NUTR | 194.29 | 189.82 | 4.47 | NUTR | 209.44 | 218.57 | (9.13) | NUTR | 219.13 | 73.93 | 145.19 |
| PET | 20.64 | 165.09 | (144.45) | PET | 10.18 | 15.16 | (4.98) | | | | | | | | | | | | | | | | |
| PHIL | 201.53 | 90.57 | 110.96 | PHIL | 186.26 | 59.95 | 126.31 | PHIL | 199.15 | 58.91 | 140.24 | PHIL | 187.86 | 98.57 | 89.29 | PHIL | 184.09 | 120.76 | 63.33 | PHIL | 234.60 | 101.69 | 132.90 |
| PHRM | 246.98 | 521.48 | (274.50) | PHRM | 278.99 | 377.99 | (99.00) | PHRM | 212.72 | 260.70 | (47.98) | PHRM | 213.81 | 459.47 | (245.66) | PHRM | 214.46 | 169.79 | 44.67 | PHRM | 200.20 | 363.33 | (163.13) |
| PHYS | 113.90 | 198.37 | (84.47) | PHYS | 96.48 | 165.50 | (69.02) | PHYS | 126.77 | 156.08 | (29.31) | PHYS | 84.38 | 237.10 | (152.72) | PHYS | 93.46 | 66.07 | 27.39 | PHYS | 155.99 | 182.22 | (26.22) |
| PLA | | | | PLA | | | | | | | | | | | | | | | | | 0.00 | 0.00 | |
| PLSC | 127.82 | 247.46 | (119.64) | PLSC | 133.95 | 224.48 | (90.53) | PLSC | 139.89 | 250.38 | (110.49) | PLSC | 135.50 | 252.13 | (116.63) | PLSC | 164.50 | 253.73 | (89.23) | PLSC | 148.74 | 232.82 | (84.08) |
| POLS | 225.21 | 41.30 | 183.91 | POLS | 226.87 | 44.10 | 182.77 | POLS | 204.45 | 57.73 | 146.72 | POLS | 154.99 | 53.02 | 101.97 | POLS | 143.11 | 66.45 | 76.66 | POLS | 161.00 | 74.60 | 86.40 |
| PROD | 134.72 | 207.40 | (72.68) | PROD | 184.73 | 116.58 | 68.15 | PROD | 153.82 | 143.14 | 10.68 | PROD | 244.54 | 116.94 | 127.60 | PROD | 183.89 | 138.96 | 44.93 | PROD | 64.70 | 161.11 | (96.41) |
| PROP | 183.71 | 190.86 | (7.15) | PROP | 154.27 | 157.19 | (2.92) | PROP | 130.18 | 164.25 | (34.07) | PROP | 155.86 | 177.88 | (22.02) | PROP | 152.54 | 219.84 | (67.30) | PROP | 168.79 | 237.88 | (69.09) |
| PSYC | 216.59 | 223.15 | (6.56) | PSYC | 209.99 | 162.07 | 47.92 | PSYC | 193.53 | 170.02 | 23.51 | PSYC | 193.88 | 176.69 | 17.19 | PSYC | 186.34 | 156.68 | 29.66 | PSYC | 206.52 | 169.15 | 37.38 |
| PWRP | 259.55 | 263.37 | (3.82) | PWRP | 201.26 | 250.36 | (49.10) | PWRP | 191.57 | 232.03 | (40.46) | PWRP | 116.21 | 208.52 | (92.31) | PWRP | 144.84 | 221.03 | (76.19) | PWRP | 104.65 | 225.13 | (120.47) |
| REFG | 121.49 | 185.26 | (63.77) | REFG | 109.93 | 180.87 | (70.94) | REFG | 120.00 | 201.29 | (81.29) | REFG | 150.80 | 201.08 | (50.28) | REFG | 150.87 | 138.42 | 12.45 | REFG | 160.07 | 155.93 | 4.13 |
| RELS | 168.24 | 188.57 | (20.33) | RELS | 197.08 | 62.56 | 134.52 | RELS | 171.95 | 62.32 | 109.63 | RELS | 130.46 | 76.25 | 54.21 | RELS | 156.15 | 140.17 | 15.98 | RELS | 154.79 | 92.98 | 61.81 |

| 2016-17 | | | | 2017-18 | | | | 2018-19 | | | | 2019-20 | | | | 2020-21 | | | | 2021-22 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost | Discipline | Unit Revenue | Unit Cost | Unit Rev-Cost |
| RNG | 136.68 | 246.41 | (109.73) | RNG | 95.71 | 200.52 | (104.81) | RNG | 145.00 | 201.89 | (56.89) | RNG | 62.40 | 181.22 | (118.82) | RNG | 120.70 | 304.96 | (184.26) | RNG | 69.05 | 109.66 | (40.61) |
| SCNC | 127.33 | 169.38 | (42.05) | SCNC | 164.01 | 219.98 | (55.97) | SCNC | 146.75 | 209.27 | (62.52) | SCNC | 121.28 | 171.58 | (50.30) | SCNC | 155.94 | 188.44 | (32.50) | SCNC | 151.32 | 226.73 | (75.41) |
| SMTL | 121.49 | 185.26 | (63.77) | SMTL | 117.82 | 184.80 | (66.98) | SMTL | 121.76 | 202.19 | (80.43) | SMTL | 161.20 | 205.12 | (43.92) | SMTL | 139.87 | 148.47 | (8.60) | SMTL | 225.98 | 170.94 | 55.03 |
| SOC | 207.51 | 115.35 | 92.16 | SOC | 195.31 | 96.96 | 98.35 | SOC | 164.22 | 103.60 | 60.62 | SOC | 169.60 | 91.52 | 78.08 | SOC | 158.55 | 97.37 | 61.18 | SOC | 202.05 | 130.98 | 71.07 |
| SOIL | 98.95 | 221.55 | (122.60) | SOIL | 119.72 | 242.79 | (123.07) | SOIL | 171.18 | 281.63 | (110.45) | SOIL | 102.78 | 274.28 | (171.50) | SOIL | 160.88 | 275.83 | (114.95) | SOIL | 155.56 | 296.73 | (141.18) |
| SPAN | 104.52 | 122.35 | (17.83) | SPAN | 90.17 | 119.32 | (29.15) | SPAN | 91.71 | 118.91 | (27.20) | SPAN | 86.35 | 130.11 | (43.76) | SPAN | 112.52 | 148.09 | (35.57) | SPAN | 116.25 | 147.26 | (31.01) |
| SRGT | 60.75 | 285.92 | (225.17) | SRGT | 63.58 | 280.20 | (216.62) | SRGT | 77.29 | 274.68 | (197.39) | SRGT | 84.04 | 284.29 | (200.25) | SRGT | 98.46 | 253.13 | (154.67) | SRGT | 78.84 | 253.96 | (175.12) |
| SWK | 164.12 | 101.74 | 62.38 | SWK | 148.79 | 118.93 | 29.86 | SWK | 166.34 | 126.33 | 40.01 | SWK | 163.75 | 121.23 | 42.52 | SWK | 155.52 | 130.94 | 24.58 | SWK | 166.97 | 144.00 | 22.97 |
| THEA | 52.10 | 300.29 | (248.19) | THEA | 41.23 | 316.99 | (275.76) | THEA | 67.08 | 396.55 | (329.47) | THEA | 47.96 | 386.25 | (338.29) | THEA | 57.46 | 349.75 | (292.29) | THEA | 58.21 | 318.34 | (260.13) |
| UNIV | | | | | | | | | | | | | | | | UNIV | 20.07 | 142.94 | (122.87) | UNIV | 17.39 | 139.54 | (122.15) |
| VETS | 195.62 | 250.07 | (54.45) | VETS | 218.75 | 219.89 | (1.14) | VETS | 179.13 | 207.72 | (28.59) | VETS | 225.39 | 224.07 | 1.32 | VETS | 234.16 | 277.36 | (43.20) | VETS | 174.58 | 161.28 | 13.30 |
| WATR | 119.00 | 194.40 | (75.40) | WATR | 92.62 | 144.61 | (51.99) | WATR | 78.27 | 164.70 | (86.43) | WATR | 29.71 | 62.95 | (33.24) | WATR | 71.21 | 76.01 | (4.80) | WATR | 31.39 | 60.18 | (28.80) |
| WELD | 87.68 | 232.07 | (144.39) | WELD | 84.96 | 182.98 | (98.02) | WELD | 76.53 | 183.77 | (107.24) | WELD | 94.89 | 174.63 | (79.74) | WELD | 123.65 | 188.87 | (65.22) | WELD | 149.23 | 189.69 | (40.46) |
| Avg. Unit Cost | | | (56.41) | | | | (35.14) | | | | (35.70) | | | | (42.33) | | | | (38.56) | | | | (30.79) |
| Year-over-year Improvement (Decline) | | | | | | | 56.41 | | | | (0.56) | | | | (6.63) | | | | 3.77 | | | | 7.77 |

# ENROLLMENT DATA

## FALL 2022 – BSC 4TH Week Enrollment

| Enrollment Status | Fall 2018 | Fall 2019 | Fall 2020 | Fall 2022 | 2021-22 Change | 2021-22 % Change |
|---|---|---|---|---|---|---|
| PT Headcount | 1738 | 1706 | 1761 | 1950 | 227 | 13.2% |
| FT Headcount | 2040 | 2033 | 1955 | 1821 | -5 | -0.3% |
| Total Headcount | 3788 | 3779 | 3716 | 3771 | 222 | 6.3% |
| FTE | 2645 | 2598 | 2558 | 2466 | 76 | 3.2% |
| Total Credit Hours | 39,167 | 38,971 | 38,372 | 36,997 | 1,150 | 3.2% |

© BISMARCK STATE COLLEGE | North Dakota's Polytechnic Institution

# Fall 2022 ENROLLMENT

## ENROLLMENT BY PROGRAMS

| Program | Fall 2022 | Percent |
|---|---|---|
| Liberal Arts | 1018 | 27.0% |
| Technical | 1318 | 35.0% |
| BAS | 217 | 5.8% |
| Non-Degree | | |
| Early Entry | 1014 | 26.9% |
| Other | 204 | 5.3% |

# Fall 2022 ENROLLMENT

## ENROLLMENT BY MODE OF EDUCATION

| Mode | Fall 2022 | Percent |
|---|---|---|
| Face-to-Face | 1,565 | 41.5% |
| Blended | 912 | 24.2% |
| Distance/Online | | |
| In-State | 794 | 21.0% |
| Out-of-State | 500 | 13.3% |

# ENROLLMENT DATA

## SPRING 2023 – BSC 4TH Week Enrollment

| Enrollment Status | Spring 2020 | Spring 2021 | Spring 2022 | Spring 2023 | 2022-23 Change | 2022-23 % Change |
|---|---|---|---|---|---|---|
| PT Headcount | 1761 | 1809 | 1675 | 2310 | +635 | 38% |
| FT Headcount | 1765 | 1659 | 1604 | 1631 | +27 | +2% |
| Total Headcount | 3526 | 3468 | 3279 | 3941 | +662 | 20% |
| FTE | 2933 | 2855 | 2706 | 2996 | +290 | +11% |
| Total Credit Hours | 35,198 | 34,255 | 32,469 | 35,960 | +3,491 | 10.8% |

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# Spring 2023 ENROLLMENT

## ENROLLMENT BY PROGRAMS

| Program | Spring 2023 | Percent |
|---|---|---|
| Liberal Arts | 854 | 22% |
| Technical | 1278 | 32% |
| BAS | 235 | 6% |
| Non-Degree | | |
| Early Entry | 1345 | 34% |
| Other | 229 | 6% |

# Spring 2023 ENROLLMENT

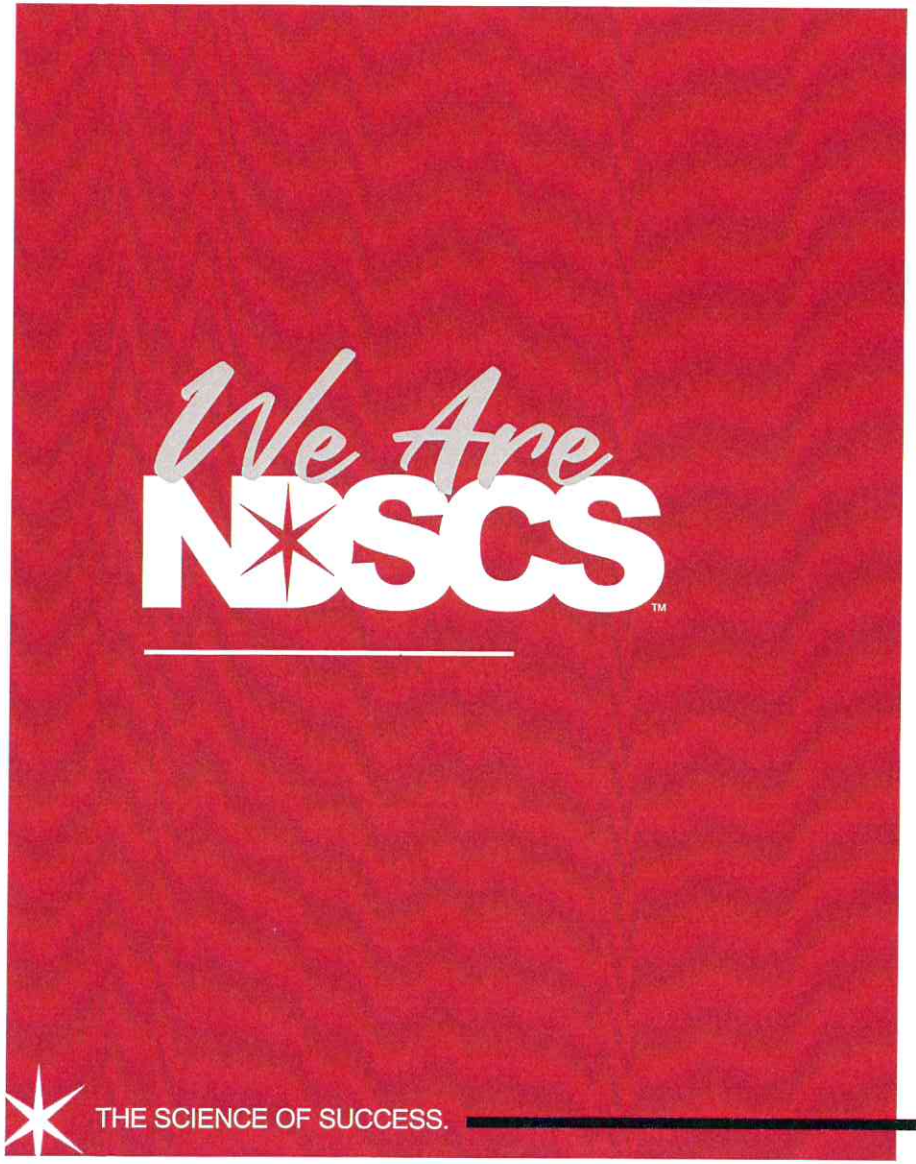
## ENROLLMENT BY MODE OF EDUCATION

| Mode | Spring 2023 | Percent |
|---|---|---|
| Face-to-Face | 1785 | 45% |
| Blended | 812 | 21% |
| Distance/Online | | |
| In-State | 1026 | 26% |
| Out-of-State | 318 | 8% |

# Senate Appropriations – Education and Environment Division Committee

68th Legislative Assembly
March 7, 2023
Dr. Rod Flanigan, President

NDSCS™




# MISSION

The North Dakota State College of Science is a comprehensive, associate degree-granting college founded on a tradition of **quality and integrity**. We deliver **learner-focused education** through a unique and evolving collegiate experience. Using **innovative delivery strategies**, NDSCS anticipates and responds to statewide and regional needs by providing access to occupational/technical programs, transfer programs and workforce training.

# LIFE VALUES

- Learning
- Integrity
- Flexibility
- Excellence

## NORTH DAKOTA CONSTITUTION

Article VIII, Section 6.1: "c. The school of science, at Wahpeton"

# NDSCS Impact

## ENROLLMENT

| (Fall) Enrollment | 2,942 |
|---|---|
| Wahpeton Based | 1428 (48.5%) |
| Fargo Based | 259 (8.8%) |
| Online Only | 197 (6.7%) |
| Dual Credit | 1058 (36.0%) |

| (Spring) Enrollment | 2,987 |
|---|---|
| Wahpeton Based | 1286 (43.1%) |
| Fargo Based | 220 (7.4%) |
| Online Only | 230 (7.7%) |
| Dual Credit | 1251 (41.9%) |

| Enrollment by Program* | |
|---|---|
| Career & Technical Programs | 75.5% |
| Liberal Arts/Transfer | 24.5% |

*excludes non-degree students

**72%**
NORTH DAKOTA STUDENTS

**22.5%**
MINNESOTA STUDENTS

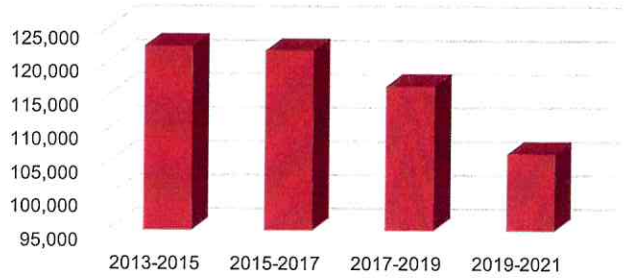
**50.8%**
STUDENTS LIVING ON-CAMPUS
*excludes Dual Credit and Fargo only

# NDSCS Impact

## ENROLLMENT

| Historical Completed Student Credit Hours | | |
|---|---|---|
| Biennium | Total SCH | % Decrease |
| 2013 - 2015 | 122,289 | |
| 2015 - 2017 | 121,634 | -0.50% |
| 2017 - 2019 | 116,369 | -4.30% |
| 2019 - 2021 | 106,401 | -8.60% |
| 2021 - 2023 | ≈ Flat | |
| | Total decrease | -13.00% |

**Completed Student Credit Hours**




| Regular (Benefited) Employees | |
|---|---|
| Year | Total |
| 2015 | 368 |
| 2016 | 372 |
| 2017 | 339 |
| 2018 | 313 |
| 2019 | 311 |
| 2020 | 306 |
| 2021 | 304 |
| 2022 | 296 |
| 2023 | 296 |
| Current Total | -20.40% |
| New Total | -22.60% |

| Beginning Fall 2023 – Additional Reductions |
|---|
| Position |
| Library Director |
| IT Instructor |
| Allied Health Office Manager |
| Student Success Specialist |
| English Instructor |
| Automation Systems Instructor |
| Student Affairs Office Manager |
| Academic Affairs Restructuring |
| Total Adjustments Made ≈ $550,000 |

# NDSCS Impact

## 2022 CAREER PLACEMENT

**97%** 2022 NDSCS GRADUATES ARE EMPLOYED OR CONTINUING THEIR EDUCATION

**30 OF 53**
ND COUNTIES WERE FIRST DESTINATIONS FOR GRADUATES

**81%**
ND STUDENTS **STAYED** IN NORTH DAKOTA

**35%**
NON-ND STUDENTS **STAYED** IN NORTH DAKOTA

**$47,004**
AVERAGE ANNUAL STARTING SALARY

**$3,917**
AVERAGE BEGINNING MONTHLY SALARY

Response from 441 graduates. Information is self-reported.

# NDSCS Impact

CTE Programs

## Transportation

- Diesel Programs
  - Caterpillar (Think Big program)
  - Case IH
  - Komatsu
  - John Deere Tech (Ag)
  - General Diesel
- Automotive Technology
- Auto Body Repair & Refinishing Technology
- Powersports Technology

## Manufacturing

- Precision Machining Technology
- Robotics and Automation Technology
- Mechatronics Engineering Technology
- Advanced Manufacturing
- Autonomous Systems Technology (AST)
- Welding Technology

## Allied Health

- Nursing
  - Registered Nursing (AAS & ASN)
  - Practical Nursing
  - LPN
  - CNA
- Emergency Medical Services
  - Emergency Medical Technician
  - Paramedic Technology
- Occupational Therapy Assistant
- Pharmacy Technician
- Health Information Technician
  - Medical Coding
- Dental
  - Dental Assisting
  - Dental Hygiene

# NDSCS Impact

CTE Programs

## Mechanical Systems

- HVAC/R Technology
- Plumbing
- Electrical Technology
- Industrial
- Construction
- Master Technician

## Construction

- Architectural Modeling & Design Technology
- Building Construction Technology
- Construction Management Technology
- Land Surveying & Civil Engineering Technology
- Unmanned Aircraft Systems (UAS)

## Agriculture

- Ag Business
- Precision Agronomy
- Animal Science
- Farm Management
- Meat Processing
- Precision Agriculture
- Ranch Management

## Culinary

- Wahpeton
- Fargo (in development)

**** This does not include all of our Liberal Arts and transfer programs**

# Partnering For Success

## Nearly $4 Million

ENTRUSTED EQUIPMENT
COLLEGE-WIDE
FALL 2022

THE SCIENCE OF SUCCESS.

**Just a few of our partners:**

NDSCS

Butler CAT

KOMATSU

JOHN DEERE

SANFORD HEALTH
EMS Education

CASE IH AGRICULTURE

RDO EQUIPMENT CO.

Snap-on Industrial

North Dakota Society of Professional Land Surveyors 1979

Bell Bank
Member FDIC

RSES

RDO Integrated Controls

BUTLER
A BlueScope Steel Company

FANUC Robotics

TRANE

Certified Education Robot Training

Microsoft

Nodak Mutual Insurance Company

aldevron

HAAS

LINCOLN ELECTRIC

EMERSON
Process Management

CHI St. Francis Health

SITECH
SITECHDAKOTAS.COM

BRANDT Holdings

# NDSCS Impact

## HELPING OUR STUDENTS

ND career builders
Scholarship & Loan Repayment

**$801,440**

**of $951,125 committed to currently enrolled students is for NDSCS (84%)**

| 104 | 73 | 65 |
|---|---|---|
| STUDENT MATCHES TO DATE *2018-Present* | EMPLOYERS/PARTNERS IN DATABASE | CURRENT STUDENTS |

Students generally leave debt free. Helps students in programs with high tool costs that are often a barrier.

# NDSCS Alumni Foundation

**$27+ MILLION**
NDSCS FOUNDATION ENDOWMENT

**$1.1+ MILLION**
SCHOLARSHIP DOLLARS

# NDSCS Impact

HELPING OUR STUDENTS

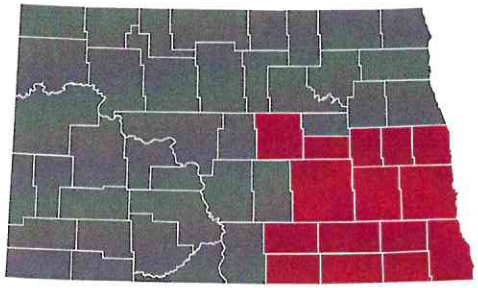
## Challenge Grant

- Appreciate the opportunity this allows for our donors to maximize their donations to the college and to students.
- Last year had $1.9 million in donations to the Challenge Grant. We support and appreciate the increase to $3M. We will use every penny!

## Career Innovation Center

- Project continues to move forward
- We support the request of the CTE group for adding additional funding for cost of inflation

trainND
SOUTHEAST



NDSCS

# ANNUAL REPORT

2021-2022 Fiscal Year

**41,933**
Total Training Hours

**1,121**
Participants

**284**
Businesses Served

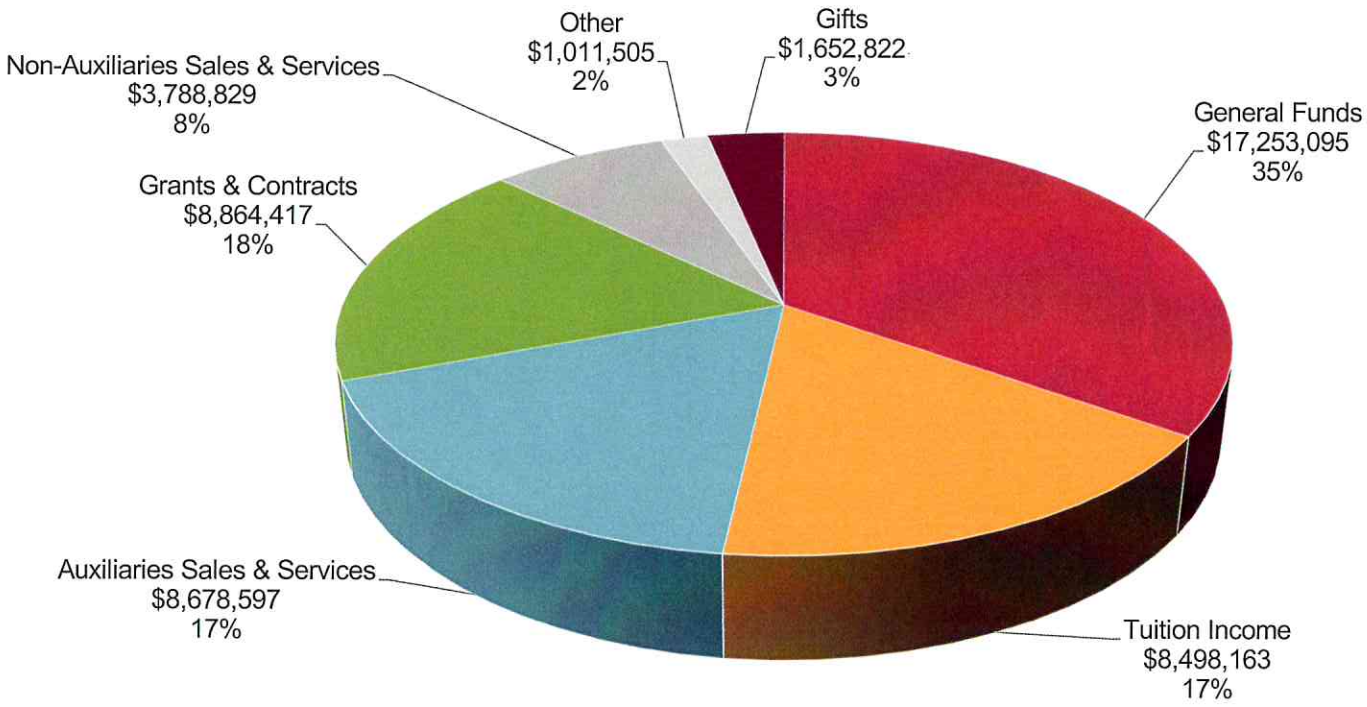
**99%**
Satisfaction Level

## BY THE NUMBERS

| FY Comparison | 2021 | 2022 |
|---|---|---|
| Businesses Served | 49 | 284 |
| Repeat Business | 13 | 165 |
| Training Events | 182 | 283 |
| Participants (unduplicated) | 600 | 1,121 |
| Registrations (duplicated) | 715 | 1,930 |
| Total Training Hours | 8,394 | 41,933 |
| Satisfaction Level | 99% | 99% |
| **Revenue Generated** | **$508,991** | **$706,246** |
| **State Grant** | **$385,480** | **$394,610** |

# NDSCS Budget

## FY22 REVENUE

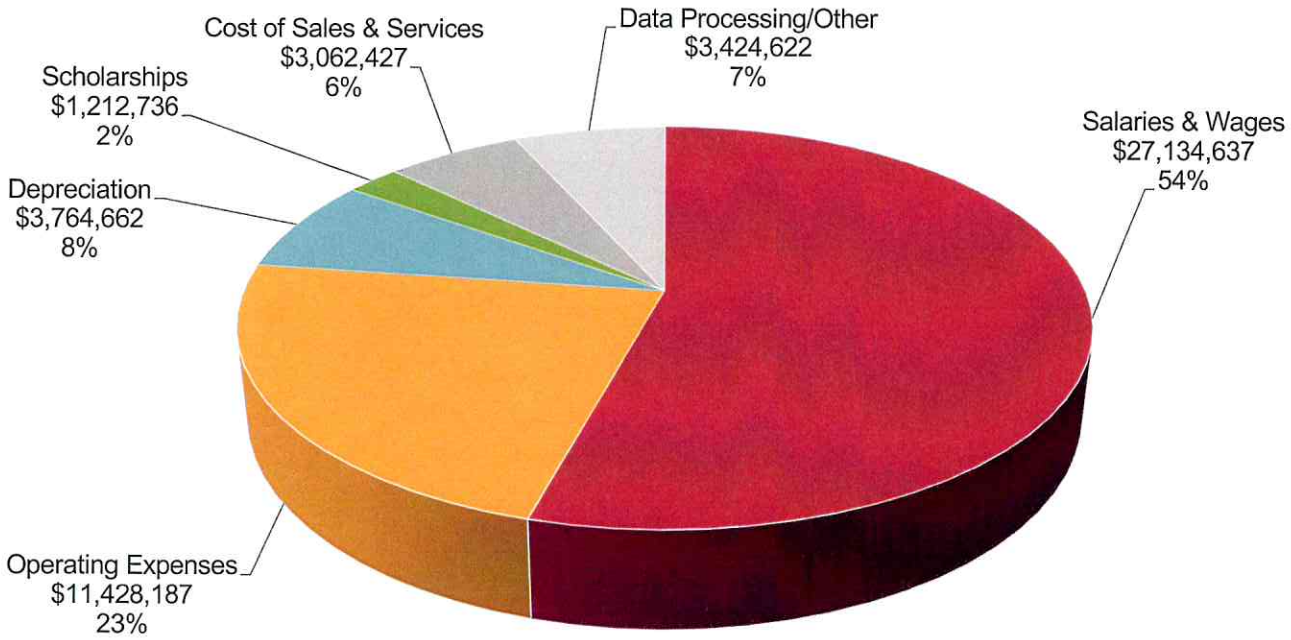



**3.8**

FY22 Composite Financial Index

# NDSCS Budget

FY22 EXPENDITURES



# Comparison of Base Budget

| NDUS Institutions Comparison of SBHE General and Special Funds Budget Request to Executive Recommendation | *North Dakota State College of Science* | | |
|---|---|---|---|
| | SBHE 2023-25 GF Budget Request | Executive Recommendation | House Amendments HB1003 |
| 2021-23 Original General Fund Appropriation | $ 35,714,792 | $ 35,714,792 | $ 35,714,792 |
| Less Tier I Funds | $ (1,012,379) | $ (1,012,379) | $ - |
| General Fund Operating | $ 34,702,413 | $ 34,702,413 | $ 35,714,792 |
| | | | |
| Costs to Continue Salaries | $ 156,925 | $ 156,925 | $ 156,925 |
| Student Mental Health Initiative | $ 186,750 | $ - | |
| Base Adjustments - Funding Formula | $ (4,001,780) | $ (4,001,780) | $ (1,236,632) |
| Base Adjustments - Minimum Amount Payable (4%) | $ 2,573,189 | $ 2,573,189 | $ - |
| 2021-23 Adjusted General Fund Appropriation, Net of Base Adjustments(Needs Based Budget Request) | $ 33,617,497 | $ 33,430,747 | $ 34,635,085 |
| | | | |
| Executive Recommendation Base Increases (Decreases): | | | |
| 2023-25 Adjustments: | | | |
| 2023-25 - 6%/4% Salary & Fringe Benefits | $ - | $ 1,432,777 | $ 3,491,815 |
| Health Insurance increases | | $ 694,903 | |
| Total Adjustments | $ - | $ 2,127,680 | $ 3,491,815 |
| 2023-25 Base General Fund Request & Recommendation | $ 33,617,497 | $ 35,558,426 | $ 38,126,900 |

# SWOT Analysis

NDSCS

**S**

- 2-year school with a 4-year feel
- Strong reputation; 120-year history
- Excellent partnerships with industry/business
- Vocational programs in demand
- Exceptional learning environment for students

**W**

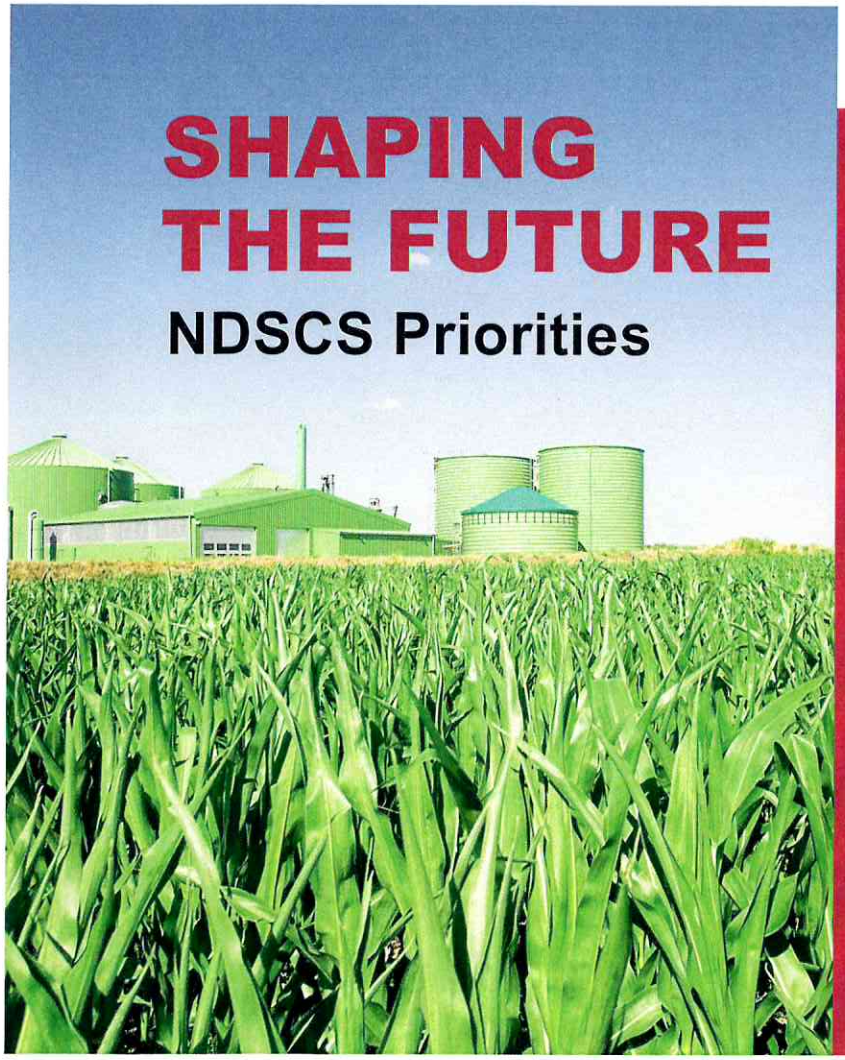
- Aged infrastructure/buildings
- Difficult to fill positions due to location and pay
- 75% of our students are CTE focused, thus we have many high-cost programs

**O**

- Expand existing partnerships
- Build on our reputation for quality technical education
- Develop new and innovative programs
- Opportunity to grow with our new CIC building

**T**

- Competition from neighboring states
- Aggressive marketing from others
- Inability to fund deferred maintenance




NDSCS

- Additional Help Needed for Deferred Maintenance
- Precision Ag Capital Project Request
- Funding Formula
- Fully Funded Pay Raises
- Career Innovation Center in Fargo
- Innovation Fund

# Deferred Maintenance

THE SCIENCE OF SUCCESS.

NDSCS is 120 years old. **Most of our buildings were built in the 1950-1970 era.** The list of deferred maintenance issues on our campus is untenable. While the 'Tiered Funding' model is helpful, it is difficult for us to make the match. Combined with declining enrollment, reduced state appropriations, increased cost to maintain and operate, we are in need of help.

**The following are maintenance issues <u>facing us this year</u>:**

- New roofs (3 different roofs) - $1.5M
  - Have 14 roofs over 20 years old (EPDM)
- City 'Special Assessments' - $1M
- Infrastructure repair (plumbing, flooring, sidewalks, electrical, parking lots, painting, etc.) - $1.1M
- Mechanical systems (boiler system, HVAC, chiller system) - $200,000
- Safety (handrails, hallways, stairs, etc.) - $200,000

**Total this year, alone = $3,900,000**

**Total next year = $2,000,000**

# Precision Ag Capital Project

**Support and appreciate the House proposal to fund the expansion of our Precision Agriculture program, and John Deere Tech program**

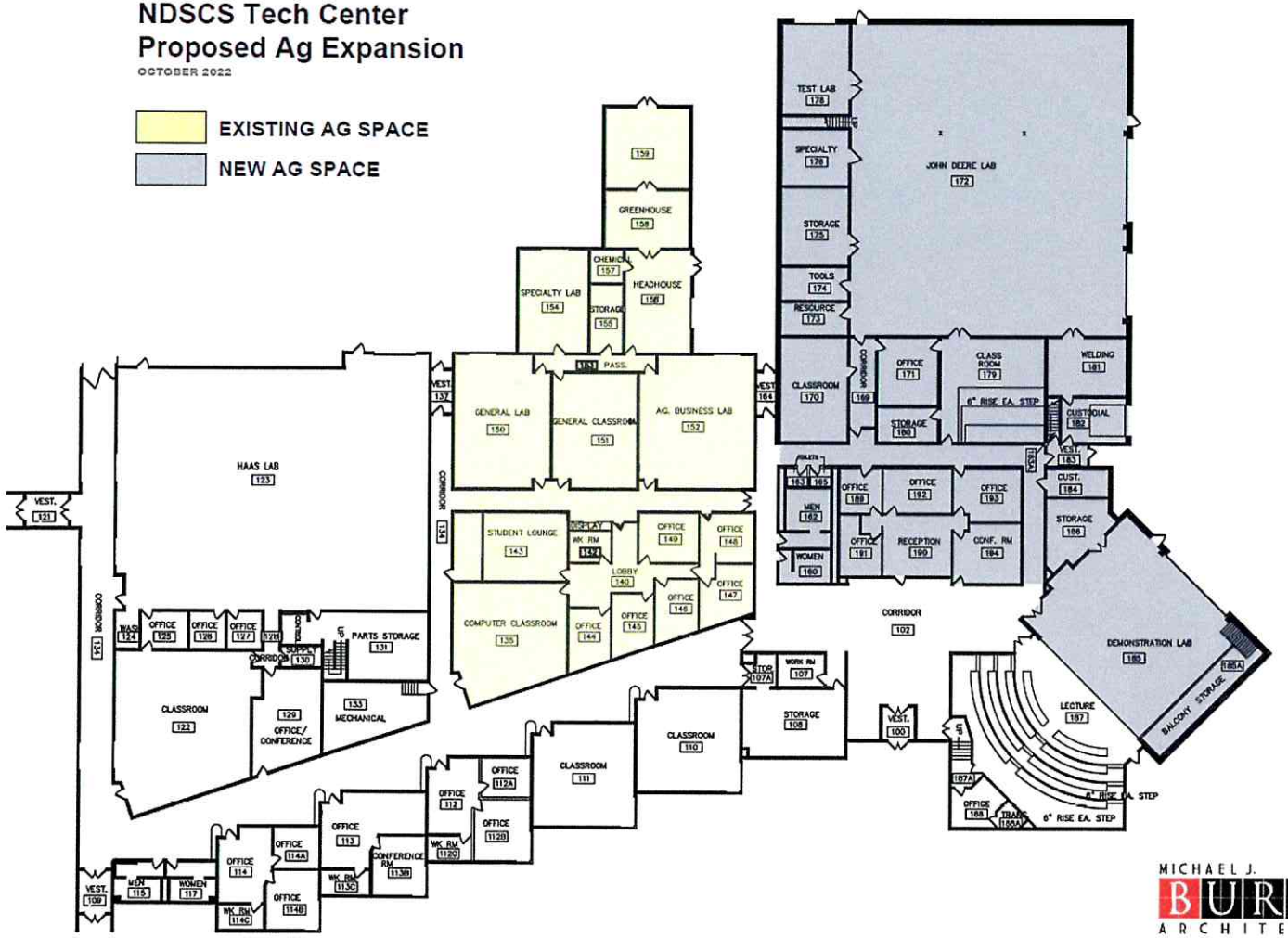
- Repurpose the north wing of the Tech Center to become the focal point for the Ag program.
- Repurpose the existing John Deere Tech lab for the Advanced Precision Ag Tech lab.
- Renovation of Bisek Hall for John Deere Tech instructional area
- Both programs continue to grow and are maxed out.
- This program will allow us to address deferred maintenance needs in the building.

# NDSCS Tech Center
# Proposed Ag Expansion

OCTOBER 2022

EXISTING AG SPACE

NEW AG SPACE




MICHAEL J. BURNS ARCHITECTS LTD

THE SCIENCE OF SUCCESS.

# Funding Formula Request

THE SCIENCE OF SUCCESS.

## Minimum Amount Payable

We support the House proposal to re-institute the 'Minimum Amount Payable'. While the original purpose was to "slow funding decreases as credit production dropped", NDSCS was hurt even more when the formula changed by taking away the size factor.

- Support the request of the System Office to take the 'Minimum Amount Payable' to 98% - this would help NDSCS by approx. $700,000

## Credit Hour Weighting Matrix

Historically, the funding formula has had minor changes every biennium.

- The institutional size factor was part of the original formula
  - When this size factor was eliminated last biennium, NDSCS was the only institution hurt by the change
- Fully support the House recommendation to move all CTE credits to a 5x multiplier.
- Support the amendment by the House to add Dental Hygiene to this list. Would also recommend Dental Assisting.

| DISCIPLINE CLUSTERS | STUDENT CREDIT HOUR WEIGHTING MATRIX | | | | | | WEIGHTED SCH |
|---|---|---|---|---|---|---|---|
| | ELEMENTS | LOWER DIV | UPPER DIV | PROFESSIONAL | GRADUATE | MD | |
| Transportation (Aviation) | 19-21 SCH | 214 | - | - | - | - | |
| *49* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 407.00 | - | - | - | - | 407 |
| Biological/Physical Science | 19-21 SCH | 10,099 | - | - | - | - | |
| *26, 40, 41* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 19,188.00 | - | - | - | - | 19,188 |
| Business | 19-21 SCH | 6,148 | - | - | - | - | |
| *52* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 11,681.00 | - | - | - | - | 11,681 |
| Career/Tech Education | 19-21 SCH | 10,581 | 11,737 | - | - | - | |
| *12, 46, 47, 48* | Cost Factor | 3.0 | 5.0 | - | - | - | |
| | Weighted SCH | 31,743.00 | 58,685.00 | - | - | - | 90,428 |
| Education | 19-21 SCH | 3,672 | - | - | - | - | |
| *13, 19, 31* | Cost Factor | 1.9 | 3.8 | 5.7 | 7.6 | - | |
| | Weighted SCH | 6,977.00 | - | - | - | - | 6,977 |

# Fully Funding Salary Increases

We are supportive of the 6%/4% House recommended, fully funded, salary increases.

While freezing tuition will help students, it does come at a cost to the institution. Approx. 17.5% of total appropriations (including tuition) is used for the cost of operations, or $4.9M. At 6.5% inflation, the cost of freezing tuition for NDSCS will be approx. $325,000.

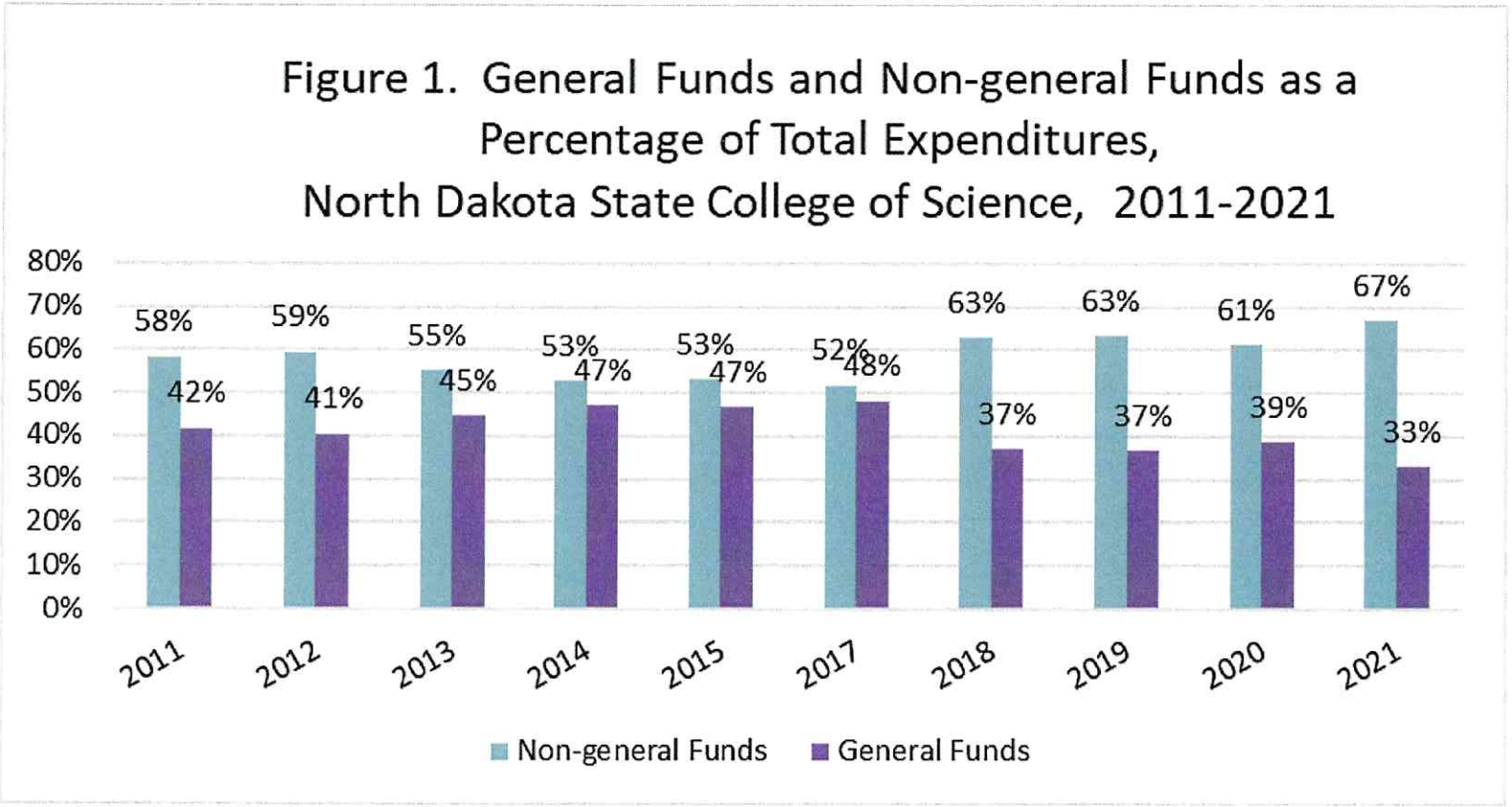


Figure 1. General Funds and Non-general Funds as a Percentage of Total Expenditures, North Dakota State College of Science, 2011-2021
80%
70%
60%
50%
40%
30%
20%
10%
0%
58%
42%
59%
41%
55%
45%
53%
47%
53%
47%
52%
48%
63%
37%
63%
37%
61%
39%
67%
33%
2011
2012
2013
2014
2015
2017
2018
2019
2020
2021
Non-general Funds
General Funds

# Career Innovation Center in Fargo

The Career Innovation Center (CIC) in Fargo is owned by the NDSCS Foundation. The N.D. CTE group has pledged $10 million of federal money towards the completion of the building.

- The project continues to progress
- Has had some challenges with inflation, supply chain, and federal funding
- We support the request by the CTE group (Wayde Sick) for additional dollars for inflationary dollars for all the Career Academies.

# Innovation Fund

We fully support the bill that provides funding to start new and innovative academic programs. NDSCS appreciates this opportunity and is well-positioned to take advantage of this new funding.

**Would ask that this committee change it from $10M to the original $24M and add language that would articulate exactly how the money will be distributed.**

Proposed new programs could include:

- Advanced Driver Assistance Systems (ADAS) Tech.
- Electric Vehicle (EV) Tech.
- Heavy Equipment Hybrid Tech.
- Fire Science
- Radiology Tech.
- Aviation Maintenance

NORTH DAKOTA STATE COLLEGE OF SCIENCE

Senate Appropriations – Education and Environment Committee
March 7, 2023
Dr. Rod Flanigan, President

# Lake Region State College

# Senate Appropriations Committee Hearings

## HB 1003

## March 7, 2023

# Accomplishments

- Completed construction-Hofstad Ag Center
- Upgraded air conditioning and siding – Gilliland Hall
- Received continued accreditation-HLC-10 years
- Successful NDCTE 5-Year Review
- Numerous Apprenticeships agreements
- Added Peace Officer Training-West Fargo
- Received CHS Foundation Award-precision ag equipment
- Received Bremer grant to expand nursing education online

# Collaborations with other NDUS Institutions

- Statewide Articulation Agreements
  - Early Childhood Education
  - Nursing
  - Speech Language Pathology Paraprofessional
- Dakota Nursing Program
  - BSC, DCB, WSC
- ND Agriculture Consortium
  - DCB & WSC
- Northern Information Technology Consortium
  - DCB, MiSU, TMCC, WSC, VCSU
- Numerous Articulation Agreements
  - MaSU, MiSU, NDSU, UND, VCSU
- Campus Programs
  - Launch at UND
  - Nursing at Mayville State
  - Mayville at LRSC
- ND Tribal College Apprenticeship Program
  - CCCC
  - NHSC
  - Sitting Bull College
  - TMCC
  - UTTC
- DOL Strengthening Community Colleges Grant
  - BSC, LRSC, NDSCS, TMCC, WSC
- Social Work Articulation Agreement
  - CCCC and UND

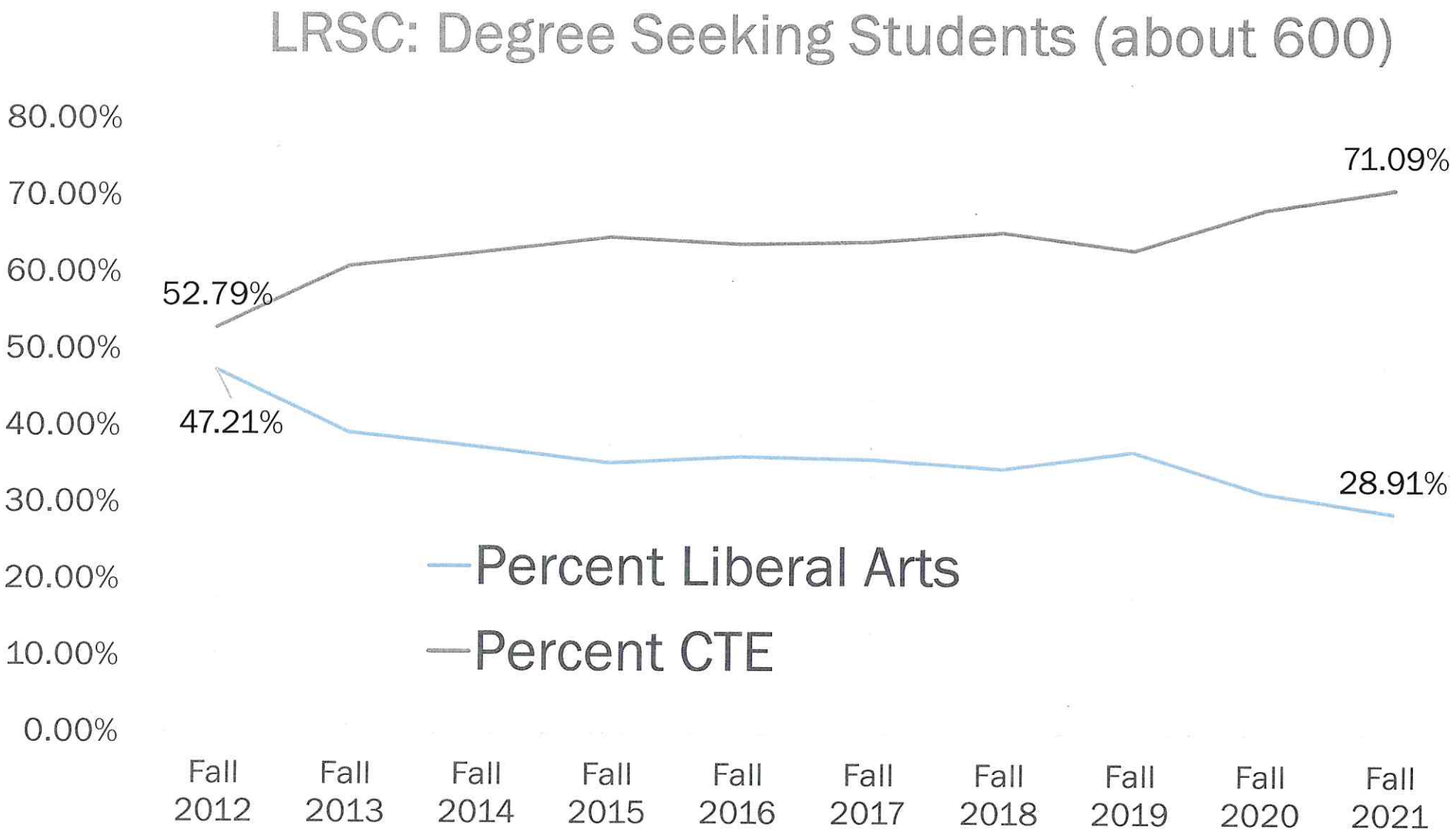
# Enrollment

## Spring 2023 Headcount

**Up 3.5% over Spring 2022**
**(From 1,558 to 1,633)**

**Still down: 15.3% from 2019 (pre-pandemic)**

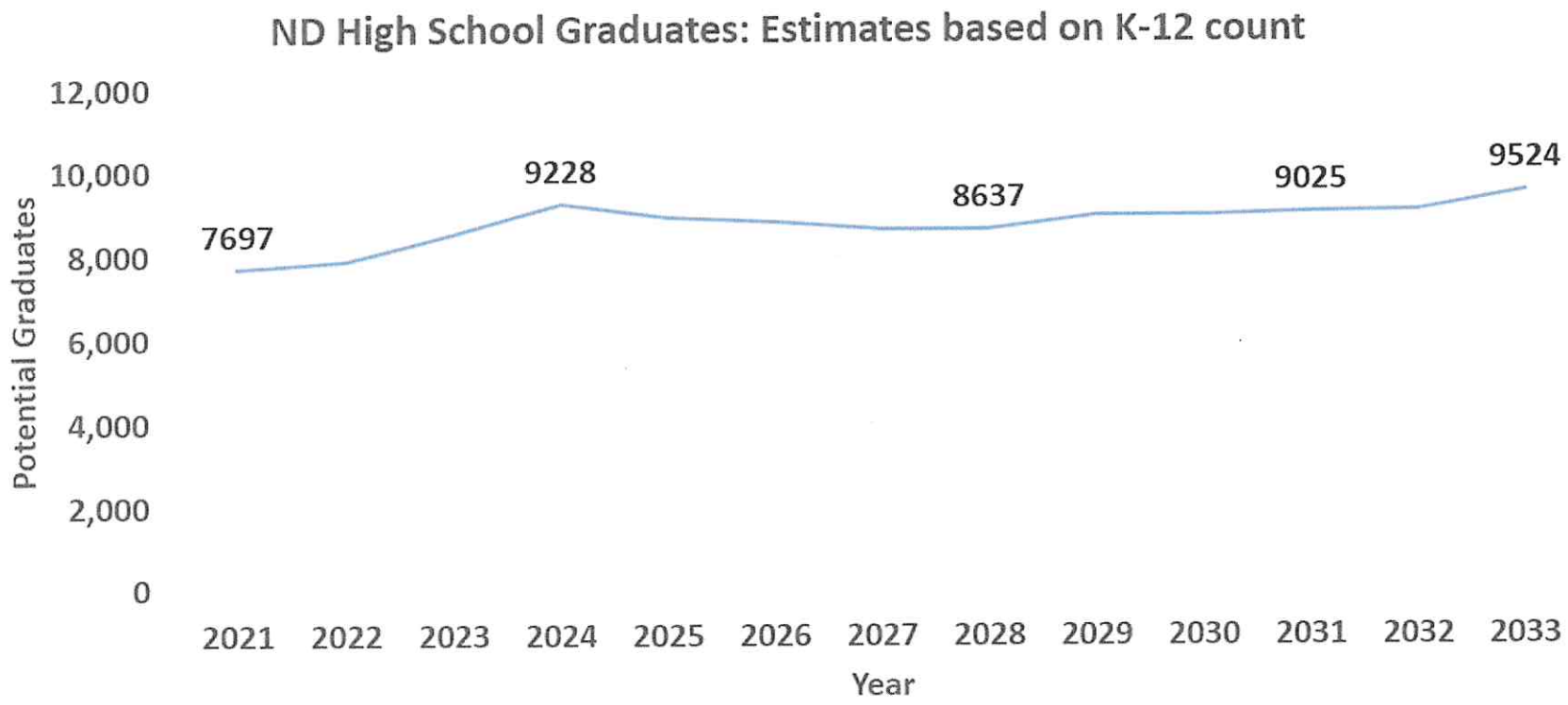
# Academic Transfer & CTE



# High School Seniors- 40 Year History

| Schools | 1983 | 2023 |
|---|---|---|
| Cavalier | 59 | 23 |
| Langdon | 95 | 26 |
| Devils Lake | 142 | 91 |
| New Rockford-Sheyenne | 45 | 15 |
| Cooperstown-Grigg's County | 30 | 12 |
| Cando-North Star | 36 | 17 |
| Leeds | 20 | 4 |
| Harvey | 73 | 20 |
| Totals | 500 | 208 |

# ND High School graduates



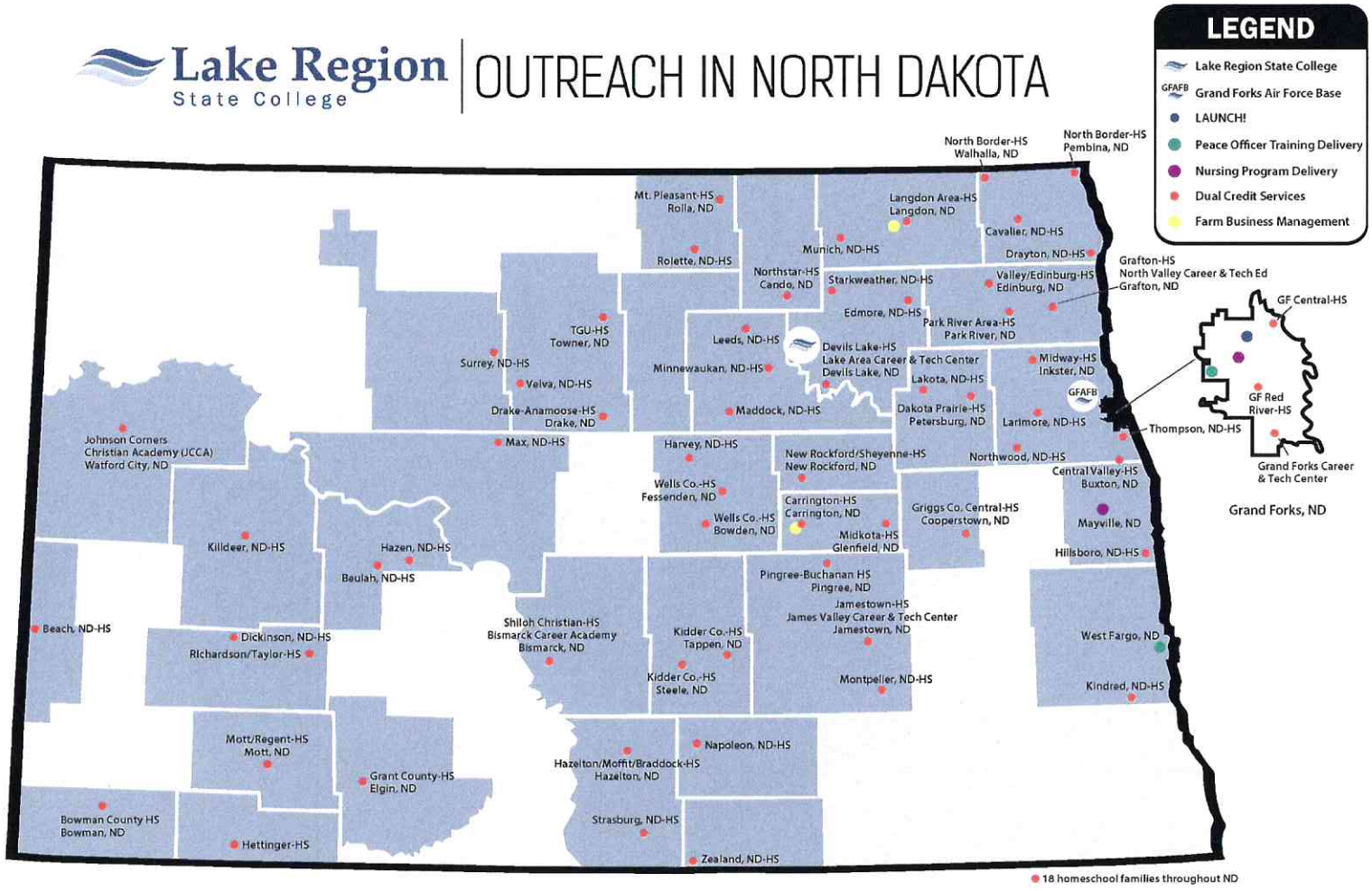

- Average ACT Score- 19.2 (www.ontocollege.com)
- ND SLDS Data- 75% score below a 22 on ACT

# Outreach

- Dual Credit/Early Entry in High School – 61
- Launch!
- In Home Care
- Nursing
- LRSC at the Grand Forks AFB
- Peace Officer Training
- Farm Management

# Outreach

Lake Region State College | OUTREACH IN NORTH DAKOTA



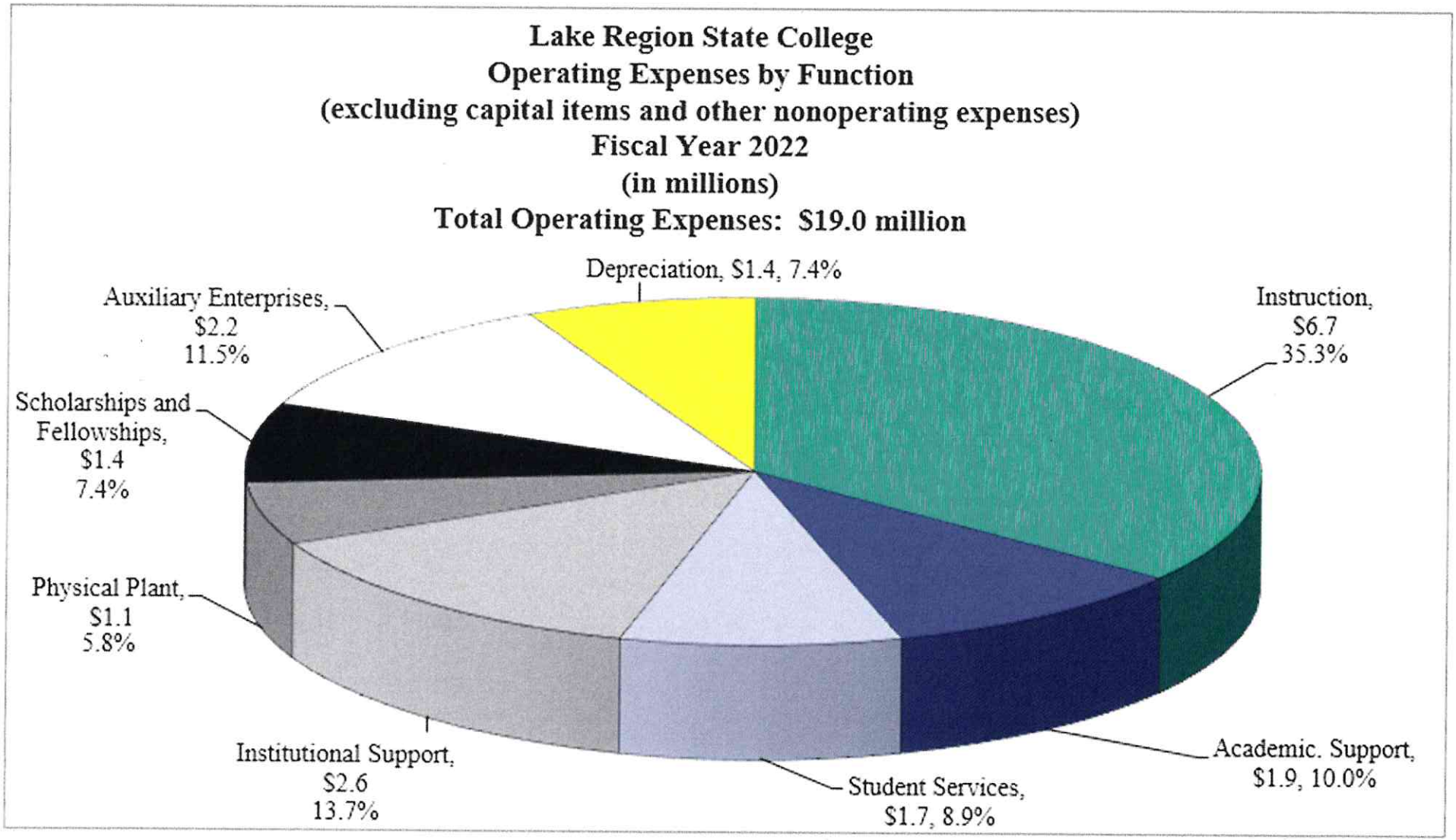
# 2023-2025 Budget Request

## Lake Region State College

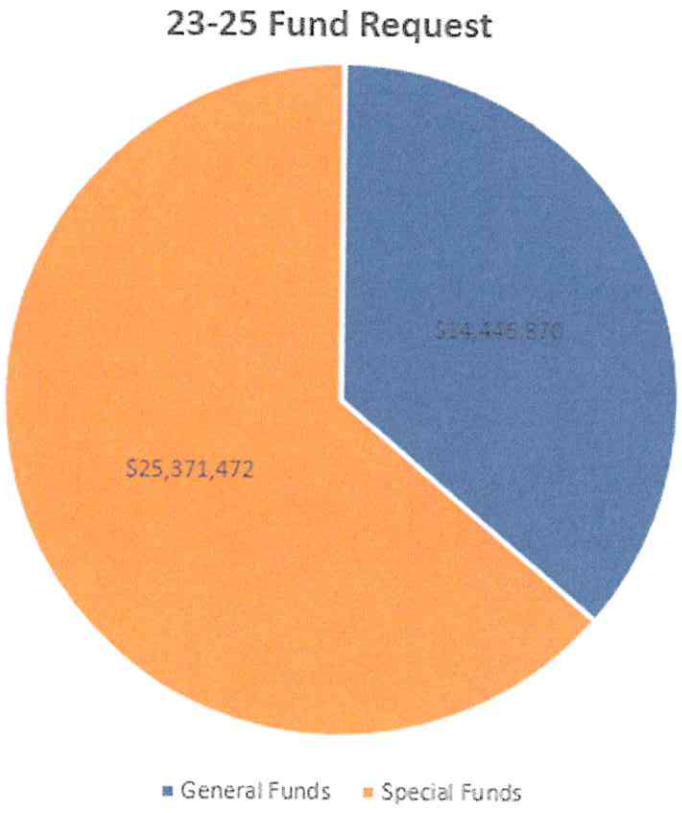
### Comparison of 2021-23 Base Budget to 2023-25 SBHE Request and Executive Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | Difference from 2021-23 Base Level | Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|
| Campus Operations | $ 39,150,913 | | $ 39,150,913 | $ 39,150,913 | | |
| Funding Formula Adjustment | | $ (1,157,713) | $ (1,157,713) | $ (1,157,713) | $ (1,157,713) | |
| Costs to Continue Salaries/FB | | $ 165,448 | $ 165,448 | $ 165,448 | $ 165,448 | |
| Capital Equipment/Operating Adjustment | | $ 207,300 | $ 207,300 | $ 207,300 | $ 207,300 | |
| Behavioral Health Initiative | | $ 109,000 | $ 109,000 | $ - | $ - | $ (109,000) |
| Executive Compensation Recommendation 6%/4% plus health insurance | | | $ - | $ 2,034,393 | $ 2,034,393 | $ 2,034,393 |
| 96% Minimum Amount Payable | | $ 588,027 | $ 588,027 | $ 588,027 | $ 588,027 | $ 588,027 |
| **Total Campus Operations** | $ 39,150,913 | $ (87,938) | $ 39,062,975 | $ 40,988,368 | $ 1,837,455 | $ 2,513,420 |
| Capital Assets | $ 362,667 | | $ 362,667 | $ 362,667 | | |
| Capital Equipment/Operating Adjustment | | $ (207,300) | $ (207,300) | $ (207,300) | $ (207,300) | |
| **Total Capital Assets** | $ 362,667 | $ (207,300) | $ 155,367 | $ 155,367 | $ (207,300) | $ - |
| Plant Improvement Carryover | | | | | | |
| Capital Projects - Non-State Funded | | | | | | |
| Capital Projects - Non-State Carryover | | | | | | |
| Operating Carryover | | | | | | |
| **Total Appropriation** | **$ 39,513,580** | **$ (295,238)** | **$ 39,218,342** | **$ 41,143,735** | **$ 1,630,155** | **$ 2,513,420** |
| General Fund | $ 14,242,152 | $ (395,282) | $ 13,846,870 | $ 14,615,069 | $ 372,917 | $ 1,465,226 |
| Special Funds | $ 25,271,428 | $ 100,044 | $ 25,371,472 | $ 26,528,666 | $ 1,257,238 | $ 1,157,194 |
| **Total Funding Sources** | **$ 39,513,580** | **$ (295,238)** | **$ 39,218,342** | **$ 41,143,735** | **$ 1,630,155** | **$ 2,622,420** |
| **One-time Funding** | | | | | | |
| Capital Assets | | | | | | |
| Gearbox (One-time) | | $ 600,000 | $ 600,000 | $ 600,000 | $ 600,000 | $ 600,000 |
| Deferred Maintenance Projects | | $ 5,041,000 | $ 5,041,000 | | | |
| | $ - | $ 5,641,000 | $ 5,641,000 | $ 600,000 | $ 600,000 | $ 600,000 |

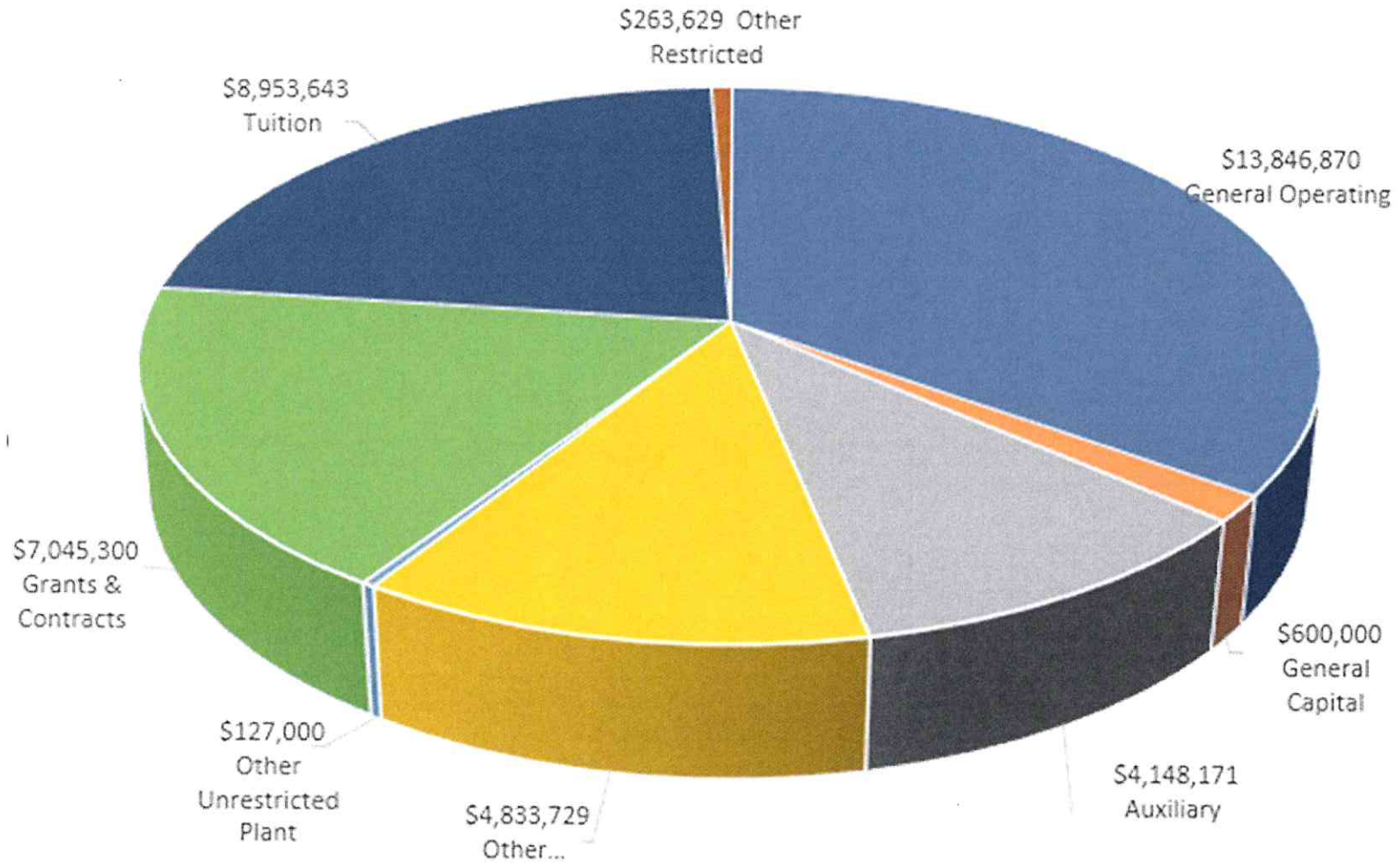
# Operating Expenses



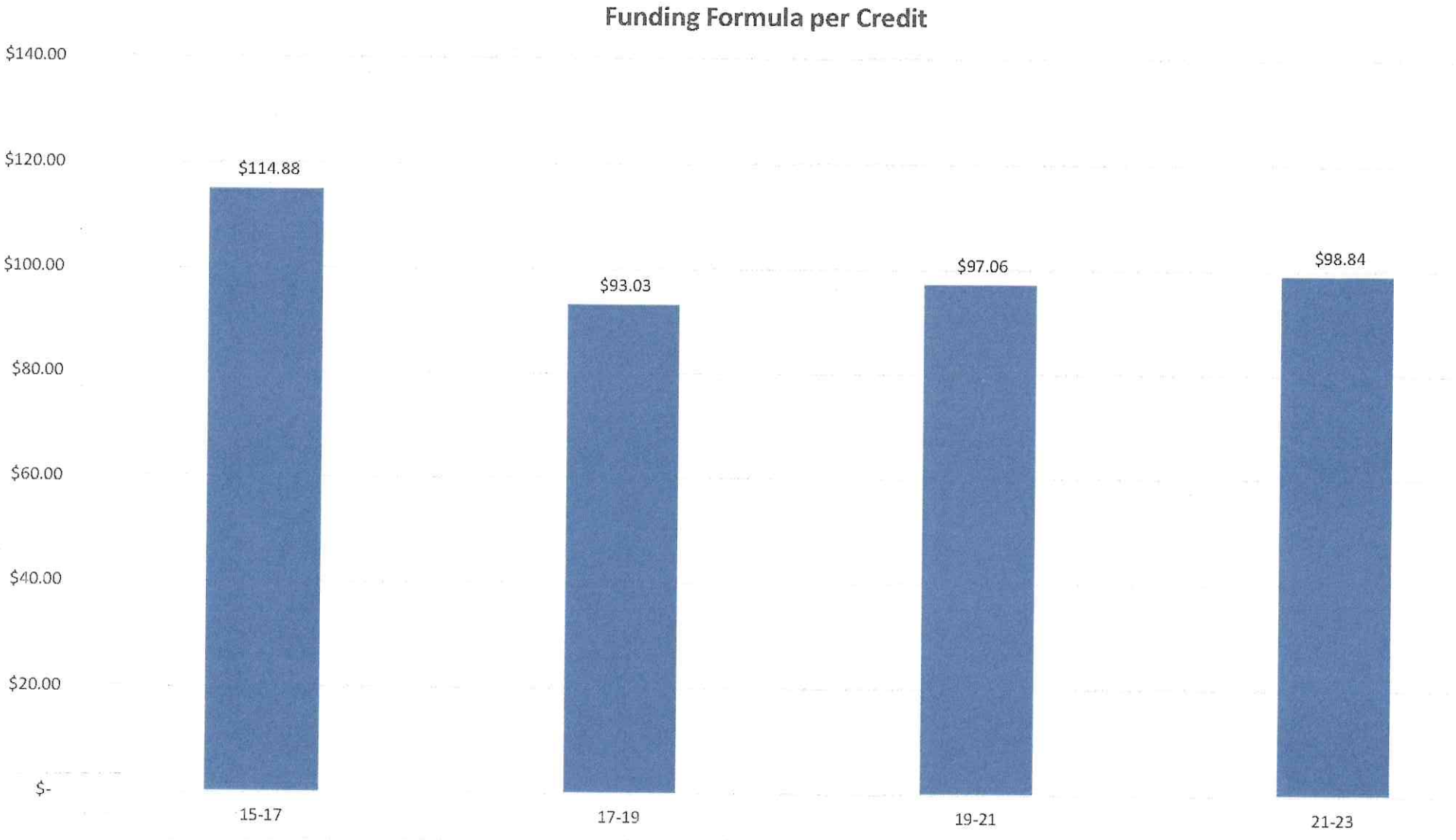
# 2023-2025 Funds Request



# LRSC Fund Breakdown
# 2023-2025 Biennium



# LRSC Funding Formula




Lake Region State College

# Inflation

- Food Items for Food Service: 28%
- Paper Products for Food Service: 45%
- Dept. of Transportation-vehicles: 32%
- Miscellaneous Physical Plant products: 27%
- Technology
  - Hardware: 15%
  - Software: 8%

# Capital Project
# Wind Turbine Gearbox

- $600,000
- Turbine – 10 years old
- Increased Maintenance
- Increased utility costs
- Decreased revenue for energy that is sold
- Repurpose old gearbox for classroom use
- Training of wind technicians is high priority for the wind industry in ND

# Capital Project:
# Deferred Maintenance Projects

- Total Request - $5,041,000
  - Roof restoration and replacement ($2,887,000)
  - Hofstad Ag Center parking lot ($750,000)
  - Parking lot and sidewalk repairs ($504,000)
  - Atrium, Humanities & Science wing renovation ($900,000)

# Not your ordinary college

Lake Region State College

# Lake Region
State College

# Thank you!

# SENATE APPROPRIATIONS COMMITTEE HEARINGS

HB 1003

Lake Region State College

LAKE REGION STATE COLLEGE
MARCH 7, 2023

Lake Region
State College

# SENATE APPROPRIATIONS
# COMMITTEE HEARINGS
# HB 1003

LAKE REGION STATE COLLEGE
March 7, 2023

Good afternoon, I am Dr. Doug Darling, President of Lake Region State College

## THE COLLEGE

We change lives. Three simple words that faculty and staff at Lake Region State College take to heart each day. For more than 80 years, Lake Region State College has fulfilled a mission to enhance lives and community vitality through quality education. Always looking forward to tomorrow's opportunities, LRSC embraces its past and simultaneously creates the workforce of tomorrow. Serving students and assisting them in reaching their educational goals is what Lake Region State College in Devils Lake does.

Lake Region State College (LRSC) is a student-centered, open access, comprehensive community college within the North Dakota University System. The college provides quality academic education, career and technical training, workforce training, educational outreach opportunities, and life-long learning.

For those who don't know, Lake Region State College has a large footprint for the small campus we appear to be. We serve students keeping the core mission of community colleges – access to all – always top of mind. Because of the community college mission, we provide access to education on our campus; online; for military personnel at Grand Forks Air Force Base; for future police officers with academies throughout North Dakota; through nursing programs in Devils Lake, Grand Forks, and Mayville; through dual credit in more than 60 high schools; and for those who pursue a university education but aren't quite ready to take that leap with the LAUNCH! Program at UND. Our TRAINND office offers certified nurse assistant and in-home care provider training to citizens statewide. In response to school needs, LRSC will add sections to current transfer classes and offer CTE courses. At the Jamestown CTE Center, LRSC is working with the school district to provide prerequisite classes aligned with the Dakota Nursing Program and also is offering an Information Technology track for high school students.

LRSC is proud to collaborate with other NDUS institutions and participates in statewide articulation agreements in early childhood education and nursing. LRSC is also a member of the Dakota Nursing Program with Bismarck State College, Dakota College at Bottineau, and Williston State College, the Dakota Precision Agriculture Consortium with Dakota College at Bottineau and Williston State College, and the Northern Information Technology Consortium with Dakota College at Bottineau, Minot State University, Turtle Mountain Community College, and Williston State College. In addition, LRSC has numerous program articulation agreements with Mayville State University, Minot State University, University of North Dakota, and Valley City State University to provide seamless transfer between associate's and bachelor's degree options.

According to the National Center for Education Statistics (NCES), the average graduation rate for 2-year postsecondary institutions is 36.4 percent. Lake Region State College reported a 50 percent graduation rate. This data represents cohort year 2018 and is the graduation rate within 150% of normal time (Fall 2018 through Summer 2021).

Our graduates are successful. Students pass their licensure exams at rates that are equal to or higher than national averages. Licensure exams and certification are used by some career and technical education programs for assessment of student learning and to provide students with professional and educational advancement opportunities. Students in the Automotive Technology, Fitness Trainer Technician, Marketing, Information Technology, Precision Agriculture, and Wind Energy Technician programs can choose to take industry certification exams. The Licensed Practice Nurse, Associate Degree Nurse, and Peace Officer Training programs prepare students to sit for national exams that are required for employment in the industry.

For the Licensed Practical Nursing program, graduates take the NCLEX-PN. The national first-time pass rate on the practical nurse exam in 2021-2022 was 80.05 percent. Lake Region State College's first-time pass rate was 100 percent for that same time.

The national first-time pass rate on the registered nurse exam in 2021-2022 was 80.83 percent. Lake Region State College's first-time pass rate was 89 percent for that same time.

The North Dakota University System has adopted several data systems that help incorporate accountability measures and transparent reporting in accordance with the Board's vision and strategic plan.

These data systems, including Dashboards, Predictive Analytic Reporting, Strategic Planning Online, and the State Longitudinal Data System, provide public reports on completion and retention rates, semester-by-semester enrollment, peer comparisons, financial aid and tuition, and much more. Additionally, the publicly-available data available throughout the systems provides real-time data to researchers and decision-makers.

The college also is gauged on its success of its instruction and service to students. In the Fall of 2022, LRSC invited the Department of Career and Technical Education to review instruction, curriculum, partnerships, and more. The visit found strong evidence of institutional commitment and support for career and technical education. The administration and faculty work closely with advisory committees and business/industry partners to improve the viability of existing programs and is efficient and effective in allocating resources.

The college as a whole also undergoes a comprehensive self-study and on-site visit, with our latest visit being in 2020. Following the Comprehensive Evaluation conducted in Fall 2020, HLC continued the accreditation of LRSC for another ten-year cycle, with the next Reaffirmation of Accreditation in 2030-2031. Likewise, our Associate Degree Nursing program received a similar visit and result from its national accrediting body in Fall 2020.

Lake Region State College students thrived in co-curricular and extracurricular activity with students nominated to participate in a regional theater, and our marketing students qualifying for the International Career & Development Conference

For years, Lake Region State College has increased its footprint in delivering education to the northeast part of North Dakota, and statewide with high-demand programs. The demand for nurses continues throughout healthcare facilities in North Dakota. Successful sites operate at the LRSC campus, Grand Forks and Mayville. Lake Region State College also continues to partner with Mayville State University to deliver nursing education in Mayville. Students can earn practical nurse and associate degree nurse degrees from LRSC in Grand Forks and Mayville and continue their nursing education through the Bachelor of Science in Nursing at Mayville State University. LRSC has the only Paramedic-to-Nurse bridge program in North Dakota. Upon successful completion of the Paramedic-to-Nurse bridge program, students can obtain a practical nurse degree and are eligible to test for practical nurse licensure.

Since 1987, Lake Region State College has offered its Peace Officer Training program in Devils Lake. A summer academy operated in Fargo from 2002-2019. Another summer academy started in Grand Forks in 2009 and continues to be successful. A spring semester academy was launched in Minot in 2012. Since then, the Devils Lake-based academy has been offered only in the fall. This spring semester, the Minot academy moved to Devils Lake due to COVID. All of these outreach sites are the results of partnerships with numerous law enforcement agencies and local governments to meet the need for peace officers. With these academies, new licensable peace officers enter the workforce each year.

Since the last session, the campus has seen growth and accomplishment. One big area of growth is in the apprenticeship sector. In 2019, Lake Region State College and the Department of Labor

entered into an agreement giving LRSC the ability to host apprenticeships. With the initial agreement, the Department of Labor recognizes LRSC's ability to provide apprenticeships in four areas. Those areas are IT Specialist, IT Cyber Support Technician, Electronics Technician, and Electromechanical Assembly. That has now grown to include Certified Nurse Assistant, Practical Nurse, and Associate Degree Nurse. We are partners with a handful of medical facilities from rural long-term care facilities, regional clinics, to larger health organizations such as Altru and Sanford. Other industry partners for apprenticeship arenas include CAE, Northrop Grumman, and ND ITD.

Grants are helping us grow the image for apprenticeships. Lake Region State College has been working closely with ND Career & Technical Education with apprenticeships and a grant NDCTE received from the Department of Labor. Funds will be utilized to increase the percentage of non-traditional student/apprentices including females, under-served ethnic and race groups, the disabled, and military personnel and their spouses. Lake Region State College also is applying for funds through Otto Bremer Trust to build career pathways and address workforce shortages through nursing apprenticeships.

Lake Region State College continues increase student retention with targeted services. Our TRiO Student Support Services and Student Success Services has been instrumental in keeping those numbers high. We are in the middle of a five-year grant cycle for our federal TRiO grant program. TRiO works with students who are first-generation college students, students with disabilities, and students with income barriers to higher education. These students receive advising, early registration, tutoring, and a multitude of other services through TRiO. Similarly, students who may not be TRiO eligible can be served through our Student Success Center. Together, these two programs have increased successful retention and transfer outcomes for our students.

Lake Region State College now has a state-of-the-art center for its Precision Agriculture program. The program continues to thrive and has added enhancements to learning thanks to a CHS Innovative 40 Grant to be used for the purchase of state of the art precision ag equipment such as a planter, UAS camera and software, which will capture crop growth imagery to evaluate planter technology and plant health on the 40-acre test field.

Likewise, from past appropriations and fundraising, LRSC nursing, electronics, and automotive technology students study in a high-tech facility, the Bergstrom Technical Center.

A declining population base in the surrounding communities continues to concern Lake Region State College as we strive to address the demographic issues facing the state as a whole. The college continues to be entrepreneurial in its outreach efforts to ensure adequate enrollment to sustain the college infrastructure and basic services.

Strategic planning is a high priority and a key component to our plan is to expand LRSC's presence in Grand Forks. LRSC began to offer dual credit courses in the Grand Forks Public School System in the fall of FY 2011 and has continued to expand. LRSC rented space across the street from the Altru Hospital and offered its Nursing program for the first time in Grand Forks in Fall 2014. LRSC established its Launch program on the campus of UND in the fall of FY

2010 and continues to prepare underprepared students who wish to transfer to UND. LRSC's Launch program has been a successful component for increased student retention.

LRSC is a post-secondary partner in 4 new / expanded CTE centers Grand Forks, Devils Lake, Grafton, Jamestown) awarded funding, but waiting for the Federal Government to release the funding.

Our ultimate goal is to provide vocational and technical training opportunities in Grand Forks and stem the tide of ND residents attending MN institutions for training.

Lake Region State College already works closely with the Lake Area Career and Technology Center and there is potential to create additional opportunities in high-demand career and tech programs. Funds to expand career academies here in Devils Lake and in Grand Forks similar to the Career Academy in Bismarck would create more options for students.

The North Dakota Higher Education Challenge Grant Fund has benefitted Lake Region State College in many ways. The college's named endowment program that enhances scholarships and/or programs has grown substantially through this program. In addition, many donors were inspired to boost the size of endowments they had already established. In 2022, funding from these endowments and other sources provided scholarships totaling over $400,000. Endowments providing program support enabled our faculty to continuously improve student learning outcomes. In addition to new funding for the named endowment program, the match opportunity increased other private-sector support for scholarships and programs and helped provide instructional technology for the new Bergstrom Technical Center. Programs such as the Dakota Nursing Program, Automotive Technology, Wind Energy Technician, Simulator Technology, American Sign Language and Interpreting Studies, and Precision Agriculture are utilizing new and improved technology, and the newly completed learning commons and the auditorium/lecture bowl have both received technology updates.

Lake Region State College took the opportunity to match donations through the Higher Ed Challenge Grant. Our Community College Foundation staff and board worked efficiently to increase endowment funds and other gifts eligible for the criteria of the fund. During this latest campaign, I'm proud to say that LRSC has submitted applications for a total of $700,000. This generates $350,000 of matching funds from the state and submitted a request for additional matches from the available pool funding. These funds will help ensure student success and support vital program needs

The college is having success enhancing our programs through external funds. We are finishing up the Otto Bremer grant for nursing in March of 2023 (getting the nursing classes all online). We received $300,000 from the state to develop and deliver certifications in community paramedicine. It will be a new academic degree for LRSC which articulates up to our LPN program.

The college also is applying DOL grants. One is for youth apprenticeships and the other is a Nursing Expansion grant to add another nursing apprenticeship in home health/community health worker tracks and a National Science Foundation grant to support modernization of our IT

curriculum (including coding, data analytics, and programable controllers to meet current and future workforce skills and knowledge) cross-cutting courses for wind energy, nursing, simulation and precision ag. At the invitation of President Flanigan, we participated in a joint application for a DOL Strengthening Community Colleges grant. Institutions participating included: NDSCS, BSC, WSC, LRSC, TMCC.

We have been able to build some positive relationships with community leaders, businesses and economic development organizations, the school systems in our service area, our local and regional legislators, and we have strengthened relationships with North Dakota University System colleges and universities. We work closely with regional economic developers when new businesses are being recruited to locate in the area and directly with established businesses looking to expand.

Partnerships and efficiencies include:

• Peace Officer Training – Lake Region State College works with law enforcement agencies throughout the state to deliver a quality product in the four major cities in North Dakota as well as at LRSC. Students then have the option of saving the cost of room and board if they can commute to one of these locations.

- The Dakota Nursing Program is a joint program with one director and shared faculty at BSC, LRSC, DCB, and WSC. Instruction is delivered to Mayville, Grand Forks, Minot, Valley City, Rugby, Harvey, Hazen, New Town, and other communities. Thanks to a donation from CHI/St. Alexius, the DNP launched a social media campaign this fall to enhance awareness of the nursing education opportunities available throughout North Dakota.
- The Northern IT Consortium – comprising IT departments at LRSC, WSC, DCB, TMCC, and soon MiSU – jointly delivers common IT courses and specialty IT courses using North Dakota IVN and online delivery methods.

The personnel needed to respond to programmatic and administrative needs of North Dakota continues to be a challenge because of funding limitations. Much of the institution's growth in programmatic opportunities provided to North Dakota citizens has been the result of LRSC's innovation and effective use of non-appropriated funding to explore new venues and modes of delivery. Maintaining enrollments will require additional staffing focused on educating the general public on the unique educational opportunities available at LRSC. Increased state appropriations through the higher education funding formula have been greatly appreciated.

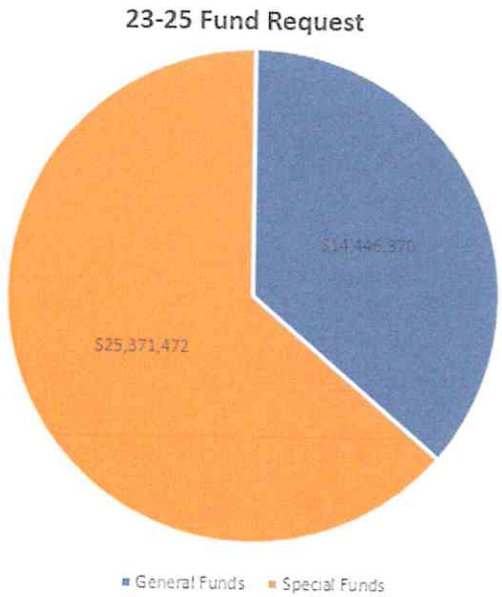
Much of rural North Dakota is threatened by demographic changes including population decline. Northeast North Dakota is still seeing declining enrollment in K-12 schools. Lake Region State College has seen steady enrollment despite the declining population of seniors in high schools in

northeast North Dakota, indicating LRSC offers programs that are meeting the educational needs of students and industry in the area.

Lake Region State College stresses collaboration with its sister institutions and economic development partners. Both are needed to have an impact on the growth and retention of population in the northeast region of North Dakota. Earlier stated examples show the variety of partnerships we have with other institutions. The link between economic development and access to education is especially important, because in rural areas, low levels of educational attainment and high poverty are barriers to development that must be addressed simultaneously if the local economy is to thrive.

Lake Region State College is the educational hub of the central region of northeast North Dakota and is vital to addressing the needs for workforce development, to collaboration with economic development for retention of employers, and for developing entrepreneurs and strengthening the sharing of resources with our P16 partners for student educational success. LRSC played a key role in development of the Northeast Educational Services Cooperative Regional Education Association and continues to be an active partner with 23 K-12 school members.

## BUDGET REQUEST FOR 2021-2023 BIENNIUM



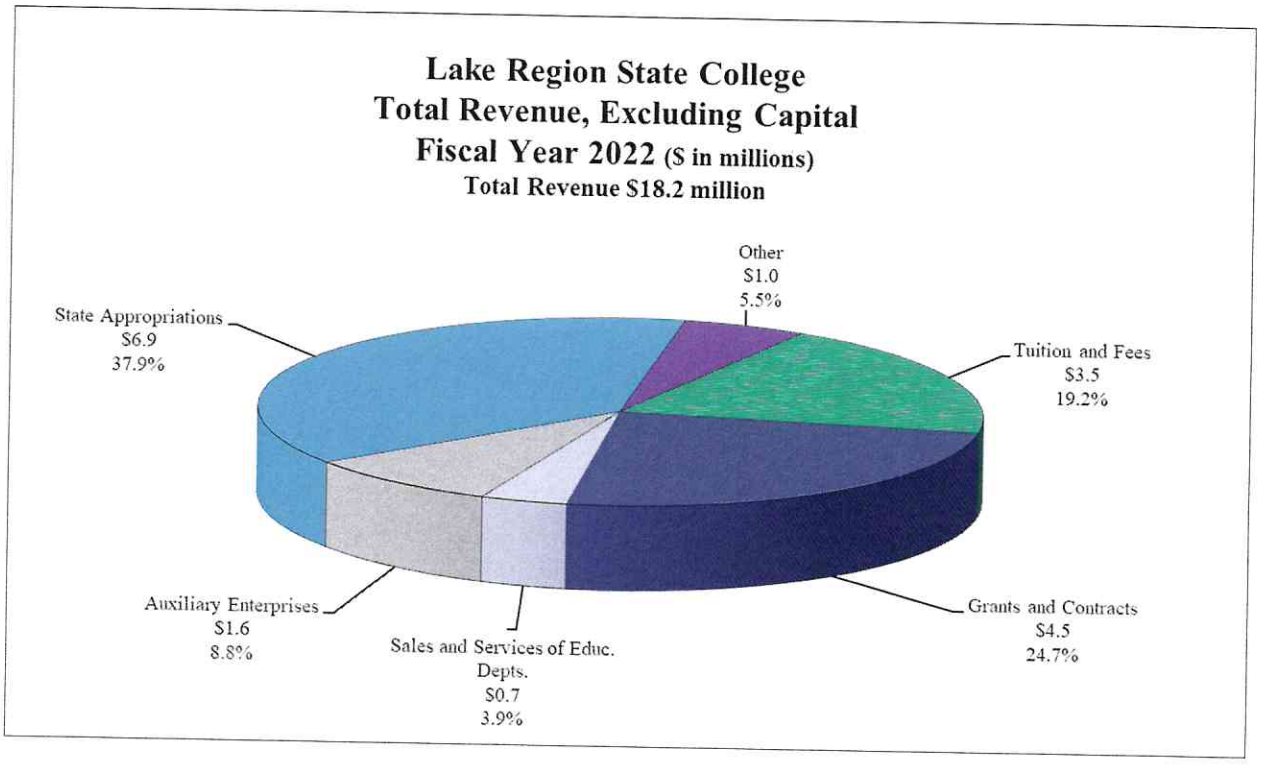

We do all of this with a budget of just over $13 million in state appropriations each biennium. Lake Region State College already runs a tight ship, which makes additional cuts extremely hard to make.

The main objectives of Lake Region State College are threefold:

- To provide affordable, high quality instruction in curricular areas approved by the Board of Higher Education
- To provide access to community and state-wide educational services at the collegiate level
- To provide an atmosphere of scholarly activity wherever its services are delivered

In addition to the instructional services provided to carry out its objectives, the college maintains other support services required to meet the needs of all students and student groups, to provide leadership and direction, and to coordinate all institutional affairs and operating guidelines in compliance with the policies and regulations established by the Board of Higher Education, the State of North Dakota, and the federal government.

Physical facilities are planned and maintained to create an operating environment conducive to learning through the most economical means possible. In the summer of 2022, LRSC upgraded air conditioning and siding of the Gilliland Residence Hall.



Earlier this summer we encountered a major operation issue with the 10-year-old wind turbine that not only provides power to the LRSC Campus, but is a live lab learning experience for students in the program. Upon inspection, we were in need of a- new gearbox, which was costly and a low inventory item. Because of the wait for replacement, the turbine was down for six months. The extensive down time is affecting finances in three aspects.

1. Increase utility costs purchasing power from OCTP. ($33,833)
2. The cost of replacing the Gearbox.
3. Decreased revenue for energy that is sold. ($43,530)

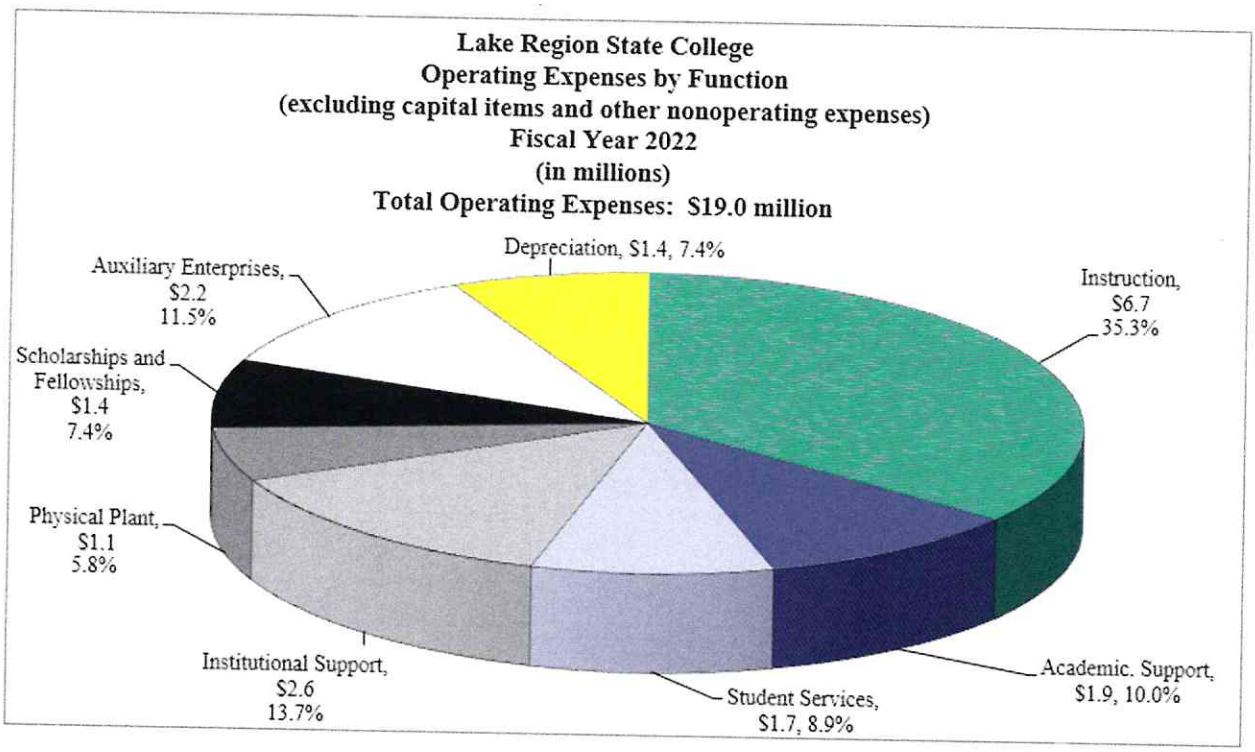
The total parts and labor cost for the Gearbox project was $579,284.25 and it is now operational.

Since the pandemic and the unknowns after it, Since the pandemic and instability of enrollment after it, Lake Region State College cautiously reviews any positions that become vacant from resignation or retirement. In many cases we've requested current employees or departments to absorb work instead of filling a vacancy. The employees at Lake Region State College are dedicated and invested in the mission of the college. Many individuals wear multiple hats because of that dedication. Since we already operate a lean machine, additional budget cuts would be devastating to the college and likely result in the loss of additional talented employees.

Our mission for Lake Region State College is to provide quality academic education, vocational/technical training, workforce training, outreach opportunities, and lifelong learning.

As we look ahead to the next biennium, we have many challenges to our mission. Similar to other colleges in the North Dakota University System, we have the continuing challenge of adjusting to the state's demographic shifts while also developing programming and services to meet the state's emerging needs.

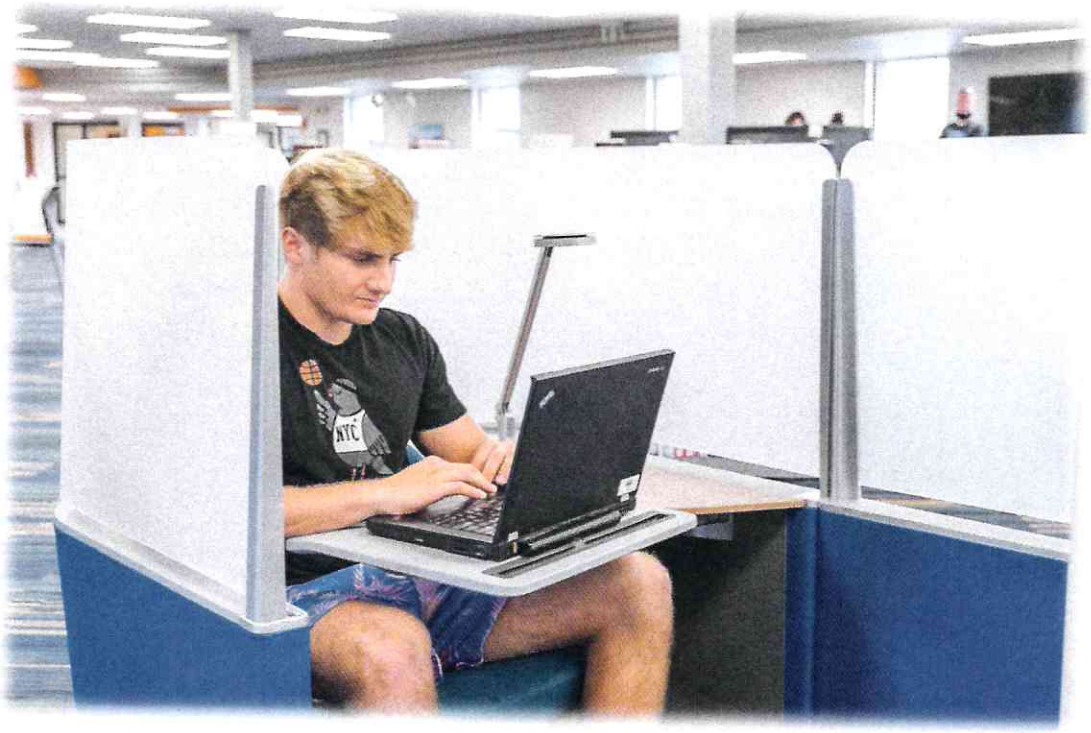
We recognize the budget challenges you are facing. The current funding model for higher education is the most equitable model we have ever used.




Auxiliary Enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing.

Sales and Services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are advertising in campus publications, fees for conferences organized by the institution and ticket sales for campus theatrical and musical events.

The instructional function includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. Academic support includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. Student services include offices that provide a specific service to students, including career services, registration, admissions and counseling. Institutional support includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The physical plant function includes upkeep, maintenance and utilities for campus facilities. Scholarships and fellowships include aid provided to students. Auxiliary enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing. Depreciation represents the non-cash expense of capitalized assets over time. Public service includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The Research function is activities specifically organized to produce research.



## AUDIT

For the biennium ended June 30, 2021, LRSC received an audit recommendation for "not following state procurement rules". LRSC agreed to the following:

1. Require directors and department leads to complete the Level 2 Procurement training.
2. The new Controller would receive training through Level 4.
3. The procurement officer will send out quarterly emails regarding procurement rules.
4. Prior to the purchase of any item greater than $9,999, a procurement officer shall sign off that the procurement policy was followed.

The progress towards these changes is moving along with the following goals achieved:

1. The new Controller has received the training through Level 4.
2. The three new directors are working on the training.
3. Other directors have completed level 2 training.
4. Quarterly procurement emails started in October 2022.

## ENROLLMENT

Smaller campuses like Lake Region State College create large impacts on its regional and state employers. Our campus-based students continue to mostly be from the northeast part of North Dakota. In the Fall of 2022, 1,431 students were from North Dakota. Grand Forks, Ramsey, Walsh, Pembina, Benson, Cass, and Foster with the highest enrollments. Thanks to our dual credit program we have a student from almost every county.

### Spring Enrollment Census

| | 2022 | 2023 |
|---|---|---|
| Total Headcount: | 1,558 | 1,633 |
| Total Full Time: | 343 | 352 |
| Total Part Time: | 1,215 | 1,281 |
| Total Credits: | 10,891 | 11,308 |
| Total FTE: | 726 | 754 |
| Total Men: | 658 | 645 |
| Total Women: | 876 | 988 |

### Credits by Location

| | |
|---|---|
| Devils Lake Campus | 30% |
| Dual Credit | 17% |
| Online | 45% |
| GFAB Center | 6% |
| Launch! | 2% |

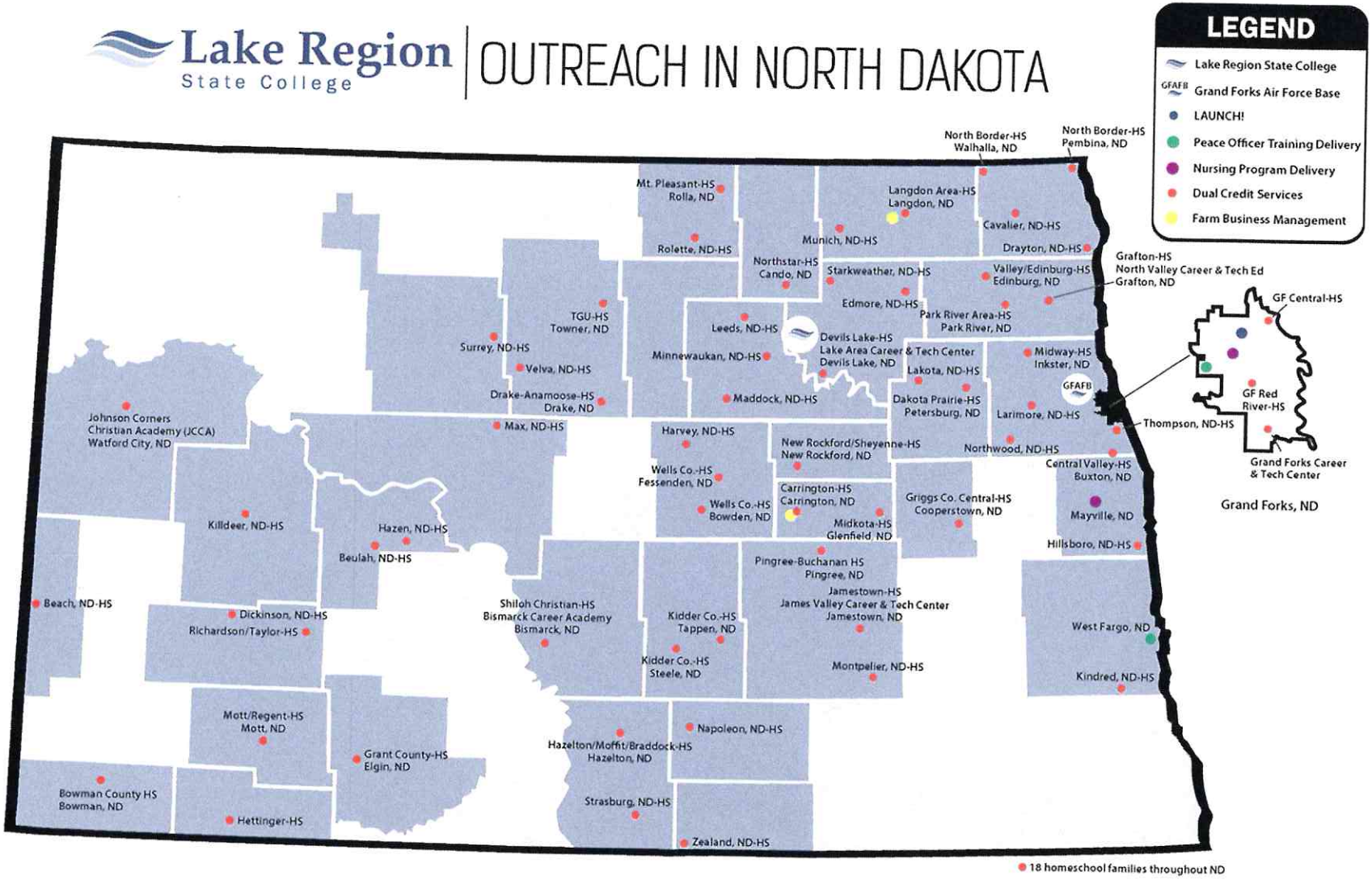
Our Spring 2023 enrollment bounced back slightly after two consecutive years of decline, which we attribute mostly to the pandemic. Lake Region State College has 1,633 students enrolled compared to 1,558 in Spring 2022. With the pandemic, outreach to future students changed drastically. Delivery of courses at our Grand Forks Air Force Base site transitioned to online only, impacting enrollments.

The inability to hold in-person events like our popular Career & Technical Education Day made a big impact on reaching potential students. Students who express interest and tour our campus almost always commit to attending LRSC. The welcoming feeling is that apparent on our campus.

With the pandemic, many young adults chose to hold off on college or selected a route different than Lake Region State College and high school students eligible to take college courses while in high school held off on adding one more thing in a tumultuous time.

Although the number of schools we work with has increased, the overall number of students enrolled has remained comparable to last biennium. These courses serve two purposes; they simultaneously count toward high school and college graduation requirements. LRSC delivers dual credit courses to the schools that are indicated by the small red dots on the above map. The larger dots represent various programs we currently deliver on site, incurring additional delivery expenses for renting space and employing faculty and staff to deliver in-demand programs to Grand Forks, Langdon, Mayville, and Minot.

# Lake Region State College | OUTREACH IN NORTH DAKOTA




Lake Region State College

## Economic Impact and Partnerships

Lake Region State College is a vital part of Devils Lake and the northeast sector of North Dakota area providing economic and quality-of-life opportunities for residents. Lake Region State College is an integral part of the regions' economy. Total economic contribution results from institution expenditures, student spending, and spending of area residents employed by the college.

Institutions like Lake Region State College contribute to the state and local economies through expenditures for goods and services and through personal spending by employees and students. Previous studies have estimated the economic contribution of the NDUS back to fiscal year (FY) 1999.

In the most recent economic contribution of the North Dakota University System study (conducted by Nancy M. Hodur and Dean A. Bangsund), Lake Region State College continues to place a strong footprint on the region's economy. Direct effects from General and Non-general expenditures were $18.2 million in FY2021. Secondary effects (indirect and induced) totaled $14.8 million. Total direct and secondary effects from Lake Region State College expenditures for wages and salaries, operations, and capital expenditures from General and Non-general fund expenditures were $33.0 million in FY2021. A substantial portion of total (direct and secondary) economic effects were a result of non-general fund expenditures.

# Quick Data
## 2022-2023
## Lake Region State College

## ENROLLMENT

### PROGRAM ENROLLMENT

| | Fall 2019 | Fall 2020 | Fall 2021 | Fall 2022 |
|---|---|---|---|---|
| Liberal Arts (AA/AS) | 247 | 192 | 159 | 205 |
| Adult Farm Management | 101 | 88 | 70 | 57 |
| Automotive Technology | 20 | 22 | 21 | 17 |
| Business Administration | 56 | 67 | 61 | 51 |
| Early Childhood Education | 29 | 27 | 31 | 33 |
| Fitness Trainer Technician | 19 | 18 | 12 | 10 |
| Information Technology | 12 | 16 | 20 | 13 |
| Law Enforcement/POTP | 31 | 42 | 36 | 24 |
| Marketing | 7 | 3 | 8 | 8 |
| Nursing, ADN | 45 | 53 | 31 | 31 |
| Nursing, LPN | 107 | 96 | 90 | 101 |
| Precision Agriculture | 30 | 31 | 46 | 37 |
| Simulation Technology | 30 | 15 | 5 | 3 |
| eech Language Path Para | 13 | 10 | 14 | 19 |
| nd Energy Technician | 6 | 11 | 13 | 10 |

### FALL HEADCOUNT ENROLLMENT

Official census student headcount enrollment

| | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| Full Time | 515 | 468 | 422 | 416 |
| Part Time | 1,467 | 1,303 | 1,199 | 1,263 |
| Total | 1,982 | 1,1771 | 1,621 | 1,679 |

### FULL-TIME EQUIVALENCY (FTE)

| Fall 2019 | Fall 2020 | Fall 2021 | Fall 2022 |
|---|---|---|---|
| 974 | 867 | 791 | 797 |

## DEMOGRAPHICS

### RESIDENCY

| | |
|---|---|
| Students from in state | 86% |
| Students from out of state | 11% |
| International students | 3% |

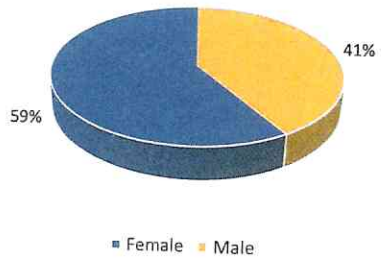
### TOP 3 STATES FOR RESIDENCY

| | |
|---|---|
| North Dakota | 1,441 |
| Minnesota | 105 |
| California | 13 |

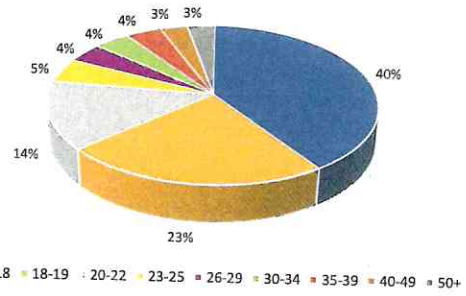
### ENROLLMENT BY ETHNICITY

| | |
|---|---|
| White | 1,181 |
| 2 or more races | 88 |
| Hispanic | 74 |
| Non-Resident Alien | 61 |
| Black | 39 |
| American Indian | 35 |
| Asian | 13 |
| Hawaiian | 0 |
| Not Specified | 188 |

### ENROLLMENT BY GENDER




### ENROLLMENT BY AGE




Note: Demographic data represents all undergraduates for Fall 2022, including full time and part time, degree seeking and non-degree seeking.

Revised 11/17/2022

# ACADEMICS

## CREDITS BY LOCATION

| | Fall 2019 | Fall 2020 | Fall 2021 | Fall 2022 |
|---|---|---|---|---|
| Devils Lake | 37% | 36% | 36% | 39% |
| Dual Credit | 14% | 14% | 14% | 14% |
| IVN | 3% | 1% | 1% | 1% |
| Online | 31% | 37% | 36% | 36% |
| GFAFB | 12% | 7% | 7% | 5% |
| Launch! | 2% | 1% | 3% | 3% |
| Nursing off campus | 1% | 4% | 3% | 2% |

## DEGREES AWARDED

July 1, 2021 through June 30, 2022

| | |
|---|---|
| Associate | 173 |
| Diploma | 4 |
| Certificate | 95 |

## AVERAGE ACT SCORE

All students with ACT results enrolled Fall 2022

| | |
|---|---|
| Composite | 21 |
| Math | 21 |
| Science | 21 |
| English | 20 |
| Reading | 21 |

## TOTAL CREDITS GENERATED

| | |
|---|---|
| Fall 2022 | 11,961 |
| Fall 2021 | 11,870 |
| Fall 2020 | 13,010 |
| Fall 2019 | 14,616 |

## PLACEMENT RATE

2020-2021 graduates; all programs

96%

# STUDENT SUCCESS METRICS

The **course completion rate** is the percentage of students enrolled in a course who do not drop or withdraw and who complete the course with a passing grade (A,B,C,D,P,S).

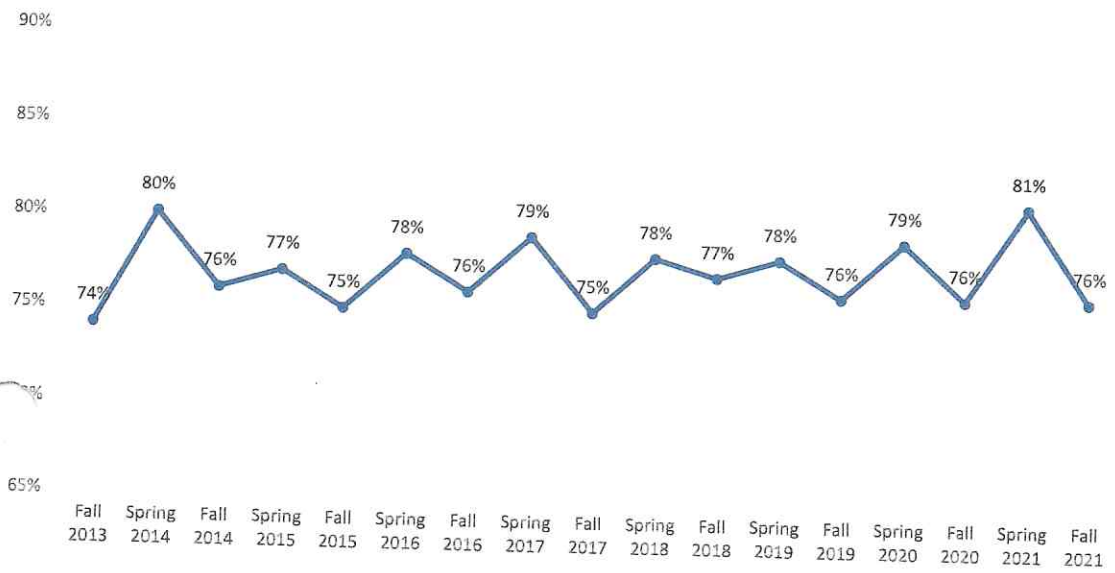
The **persistence rate** is the percentage of students enrolled in the fall semester who are either enrolled in the subsequent spring semester or graduate before the subsequent spring semester.

The **retention rate** is the percentage of students enrolled in the fall semester who are either enrolled in the subsequent fall semester or graduate before the subsequent fall semester.

The **graduation rate** is the percentage of students enrolled in the fall semester who complete a program.

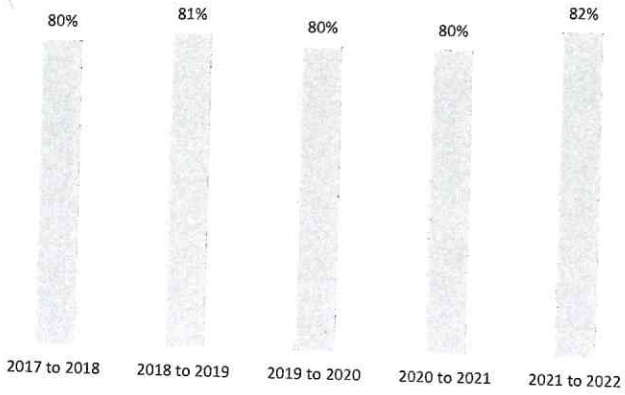
LRSC also calculates the persistence, retention, and graduation rates for various cohorts: Athletics, Delivery Mode, Ethnicity, Gender, Housing, Program. Contact Jade Erickstad, Director of Academic Affairs, for more information.

## COURSE COMPLETION RATE



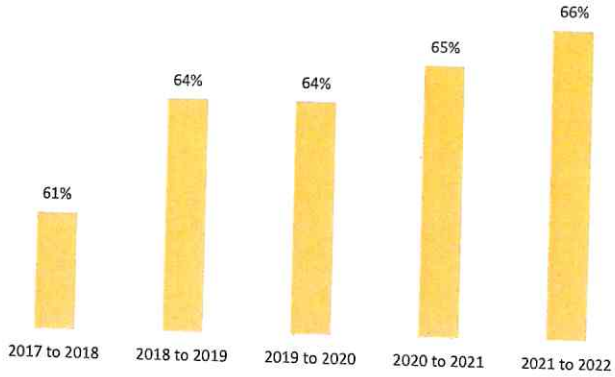
## PERSISTENCE RATE

All degree-seeking students; fall to spring persistence



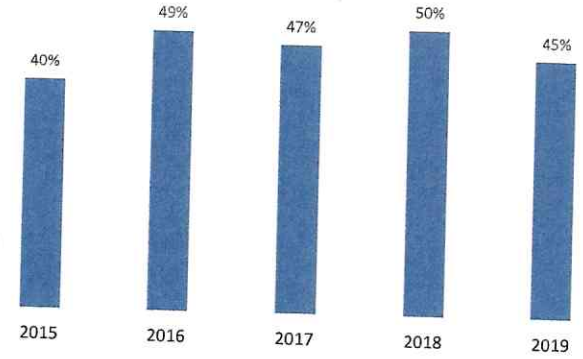

## RETENTION RATE (IPEDS)

Full-time, first-time; fall to fall retention



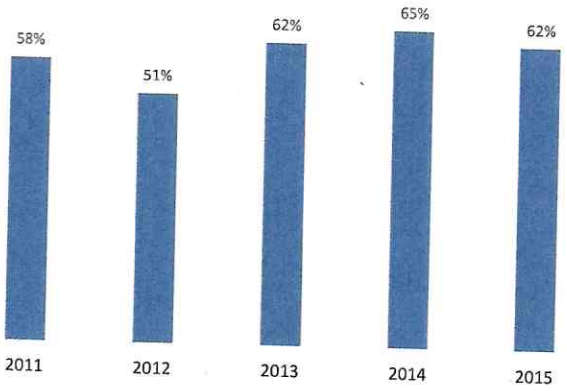

## GRADUATION RATE (IPEDS)

Full-time, first-time; graduating within 150% time of beginning a program



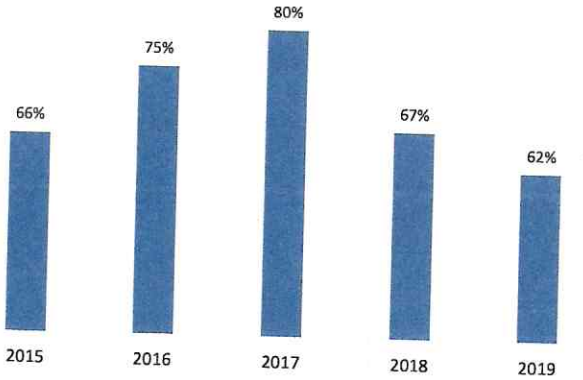

## GRADUATION RATE (SAM)

Full-time and part-time, first-time-at-institution (first-year and transfer); graduating within six years of beginning a program




## STUDENT ATHLETE GRADUATION RATE

All athletes graduating within two years of beginning a program.



**Barry D. Batcheller**

3636 Grandwood Drive North
Fargo, North Dakota 58102

7 March 2023

Members of the Committee
Senate Appropriations
Education and Environment Division

RE: House Bill 1003 - NDSU Engineering Building

Members,

In 1999, Phoenix International Corporation, a company that I founded in 1987, built the first private sector commercial building in the North Dakota State University Research and Technology Park. Shortly thereafter the company was purchased by John Deere and I was appointed Deere's Director of Technology Growth, a position that I held until I retired from the company in 2005. Over the past 20 years, Deere has substantially expanded its technology development presence in the state from this base in the NDSU RTP.

In 2009, I built the second private sector commercial building in the NDSU RTP to accommodate the growth of Appareo Systems, a company I founded after retirement from John Deere. Then, in 2014, I purchased the commercial building in the research park previously owned by Alien Technologies. In 2021, Appareo was purchased by AGCO corporation, another world leader in the design and production of advanced agricultural equipment. Since the acquisition, AGCO has added more than 60 new employees, and like Deere, has intentions to continue to grow and expand in North Dakota.

Two of the world's largest and most advanced producers of agricultural equipment have now established technology centers in proximity to North Dakota State University, and have expressed interest in expanding these capabilities further. It is now clear that we are creating a nexus in our state for the development of the high technology building blocks required for tomorrow's advanced farming applications. The opportunity this presents for the state cannot be overstated. What is needed to support the continued growth and expansion of these preeminent agricultural companies, as well as other organizations who will be drawn to the state by their presence here, is an uninterrupted and growing supply of well educated, hardworking STEM graduates.

Over the course of my career, I have had the opportunity to interact on a professional level with world-class technical leaders in production agriculture, and by so doing obtain an appreciation for their expectations as regards of the capabilities of their technology partners. The knowledge I have gained during the creation and expansion of businesses in North Dakota, and the experiences gained through interactions with Fortune 500 companies, have impressed upon me the importance of establishing and expanding appreciable science and technology capabilities within the state. North Dakota is competing with significant research universities like the University of Michigan at Ann Arbor, Georgia Tech and the University of Illinois at Champaign. We cannot compete on this stage with outdated equipment and facilities. We need to make the requisite investments if we are to capitalize on the opportunities now before us.

For the reasons stated, I ask that you consider favorably the request by NDSU to update their capabilities by constructing a modern engineering center, and by so doing enable the university to attract and educate the young men and women of our state, and others who may wish to come to our state and remain here to help us grow. If you do this, NDSU will be positioned to provide the resources so keenly sought after by world technology leaders such as those now present at the NDSU Research Park, and other similar technology leaders throughout the state. I can assure you that the future value of this investment for North Dakota will be substantial.

Respectfully,

Barry Batcheller

North Dakota Veterinary Medical Association
P.O. Box 1231
Bismarck, ND 58502-1231
T | 701.221.7740 F | 701.751.4451
E | execdir@ndvma.com Website: www.ndvma.com

**Testimony of Laura Beaudoin, Veterinarian**
**In Support of HB 1003**
**March 8, 2023**

Chairman Sorvaag and members of the Senate Appropriations Committee- Education and Environment Division:

I am Dr. Laura Beaudoin, and I am an associate veterinarian at All Pets Veterinary Clinic in Bismarck. As a former PSEP recipient, I'd like to voice support of HB 1003, specifically the funding for the Professional Student Exchange Program (PSEP). I also am voicing support for PSEP funding on behalf of the North Dakota Veterinary Medical Association.

PSEP funding is vital for veterinary medicine for the following reasons:

1) **PSEP provides a level playing field for North Dakota students to have access to veterinary medicine programs.** PSEP enables students to enroll in academic programs not available in North Dakota and receive financial aid to cover the extra cost of out-of-state tuition. Veterinary medicine is one of these programs, an occupation that is essential to North Dakota, yet not offered by any of our educational institutions.
    - 85% of North Dakota veterinary medicine students utilize PSEP; without access to PSEP veterinary medicine programs the number of ND students becoming veterinarians would be compromised. (PSEP supports up to 12 vet med students/year).

2) **PSEP provides vital funding to help offset some of the non-resident tuition costs**. Most of North Dakota's veterinary medicine students are charged twice the amount for tuition costs compared to tuition costs for residents of a respective State.
    - I.e., non-resident tuition costs $58,777/year vs. resident tuition costs $27,879/year
    - PSEP provides financial support ranging from 25% to 50% of the "non-resident" tuition costs for a ND veterinary medicine student.

3) **The debt-to-income ratio is increasing steadily each year for veterinary medicine graduates. PSEP funding provides viability for students to pursue veterinary medicine.**
    - On average, student debt for veterinary medicine students has increased each year by $3,199 due to rising tuition fees. New graduate salaries are not increasing proportionally.
    - In 2021, 84% of veterinary medicine new graduates had a mean debt of $186,430.
    - Starting salaries for veterinarians are disproportionate across work sectors with the highest mean salary at $103,881 (companion animal practice) to the lowest mean salary at $54,539 (equine practice). The debt-to-income ratio continues to be of concern.

As a former recipient, I can provide a first-hand testament to the value of the program and how it allowed me to pursue a career in veterinary medicine.

This program allows North Dakota students, like myself, to be able to pursue a career while not saddling us with the extreme costs of out-of-state tuition. Without PSEP, out-of-state veterinary education costs could prohibit North Dakota students from considering it as a viable career option. After my parents and I crunched the numbers when I was applying to veterinary colleges, I turned down an offer of an out-of-state slot at Colorado State University because I knew I wouldn't be able to make enough money as a large animal veterinarian in ND to be able to make minimum loan payments. I was forced to consider pursuing a different career altogether or take the slot knowing I wasn't going to be able to return home. Thankfully, my story has a happy ending, I ended up qualifying for a PSEP slot and was able to return to North Dakota four years later and start my career as a mixed animal veterinarian.

PSEP is important in supporting our students in their education by providing the opportunity to study programs that aren't offered at North Dakota colleges. PSEP is instrumental in keeping education costs reasonable for our students which will allow veterinarians to return to ND to practice instead of forcing them to look for more lucrative jobs around the nation just to be able to make their loan payments. Finally, PSEP shows support for the ND veterinary industry by encouraging students along this career path when they may otherwise defer to human medicine, pharmacy or other science and agriculture related programs.

Thank you for your continued support of PSEP funding as well as the opportunity to address the committee and express support for HB 1003.

**North Dakota State University Foundation Support for HB 1003**

March 7, 2023

Chairman Sorvaag and Members of the Senate Appropriations – Education and Environment Division,

For the record, my name is John Glover, President/CEO of the North Dakota State University Foundation. The NDSU Foundation's mission is to build enduring relationships that maximize advocacy and philanthropy to support NDSU. I respectfully offer testimony in support of House Bill 1003, specifically as it relates to the North Dakota Higher Education Challenge Grant. In addition to my written remarks, please see an accompanying outcomes report, which summarizes key financial measures since the program's inception at the Foundation.

On behalf of the more than 400 benefactors who've participated since the program's launch, the 55 employees of the NDSU Foundation who work with our 100,000+ alumni and organizations every day, our students who receive scholarships, faculty who hold named positions and recent alumni who benefited from the financial resources while students, we love this program and the impact it is making every day.

Let's talk about impact …

Emma (Keller) Lavachek grew up in Velva, North Dakota and chose to pursue a civil engineering degree at NDSU. In 2014, the Volk Family Civil Engineering Scholarship received matching funds from the Challenge Grant. Emma received this scholarship during the 2016-17 year, helping her graduate in December 2017. She returned to western North Dakota after receiving a civil engineering job with a Minot firm. In just five years, Emma has planted deep roots in her home state. She's now married, bought a house in between Minot and Velva, volunteers in her communities, and worked on numerous projects of significance. She said she's most proud of her work on the Mouse River Enhanced Flood Protection Project and two sanitary sewer lift station replacement projects in her hometown. Her employer also asks her to help recruit new engineering talent, returning to NDSU's career fairs each year to find future workforce. She's making a difference in North Dakota.

Emma also said this, "I wish scholarship donors could see how their investment impacts students for years to come after graduation, it is truly a long-term investment in someone that can completely change the path they follow after graduation … coming out of college with as little debt as possible opens up a whole set of different opportunities for people."

What better example is there to prove the value proposition of the Challenge Grant? It fuels the pipeline for the state's future workforce, bringing the public and private sectors together, and then we see the resulting impact of this state's emerging professional talent making a difference.

The NDSU Foundation's greatest key performance indicator is Support to Campus; dollars expended on campus to support donor intent. Since the Challenge Grant's beginning, more than $11.5 million has been sent to campus to support scholarships, faculty, educational

infrastructure, and programs from funds matched by the program. The infusion of dollars adds to the NDSU Foundation's overall endowment, which over time, produces a more aggressive investment allocation strategy, resulting in a stronger investment return and then increased payout to support the university. This increase helps reduce the financial burdens for our students, helping them graduate on time, carry smaller or no debt loads and invest more in our communities, just like Emma.

We love challenges, and our benefactors love partnering with the state to leverage impact, regardless of where they reside. More than 53% of our Challenge Grant donors have come from out of state. We have benefactors lined up to sign gift commitments on July 1 once this Legislature authorizes its appropriation. Let's offer up a really big number to challenge them!

Investing in the Challenge Grant is an investment in the state's workforce and economic future. Thank you for your consideration of support of HB1033 and your service to North Dakota.

Regards,

John R. Glover, President/CEO
NDSU Foundation
Fargo, ND

March 7, 2023

**Senate Appropriations – Education and Environment Division**
**Re: House Bill 1003, specifically related to a New Engineering Facility at North Dakota State University**

Chairman Sorvaag,

On behalf of the North Dakota State University (NDSU) College of Engineering Advisory and Advancement Board, we respectfully offer this testimony in support of House Bill 1003, specifically as it relates to funding for a new engineering facility at NDSU.

The Board, consisting of NDSU graduates and industry leaders within the state of North Dakota and throughout the United States, works with the College of Engineering in a number of ways. We support capstone programs and robotics competitions, establish scholarship endowments, and hire students and graduates for internships and permanent positions. We believe the NDSU College of Engineering plays a vital role in contributing to the workforce needs of North Dakota. Students who receive a hands-on education at NDSU are quality, project-ready graduates who provide immediate impact to their employer, many of which are based in North Dakota.

The investment in a new engineering facility will enhance NDSU and the state economy by providing more collaborative and technologically improved spaces that support innovation between the various College of Engineering departments in an effort to drive economic growth to North Dakota in precision agriculture, autonomous systems, energy, cyber security, artificial intelligence, environmental stewardship, entrepreneurship, and new technology commercialization. Within the College of Engineering, the various engineering disciplines and computer science departments support countless infrastructure, technology, and other needs to the state, especially to the agriculture industry which is vital to the state of North Dakota.

Investment in new engineering facilities is necessary to continue to remain competitive with state of the art facilities that not only attract students for the various engineering and computer science degrees that NDSU has to offer, but also retain students through their degree completion at NDSU. These facilities are needed to provide adequate classroom, laboratory, research, technology and other student related spaces that are safe, collaborative, and accessible to current/future students. Currently, many of the College of Engineering facilities are decentralized, utilizing existing facilities that are outdated/beyond their useful life (1960's era), overcrowded, not meeting current safety needs, and lacking accessibility to be inclusive/welcoming of all students. Additionally, in order to meet the College of Engineering core values, a facility is necessary to focus on our students in an ever-changing world, provide spaces/resources that are inclusive and welcoming of all our student's needs, allow students hands-on learning that fosters innovation/collaboration, and attracts faculty and research opportunities that further enhance our students into the leaders of tomorrow.

Currently, colleges outside of North Dakota are competing for the same students and it is critical that NDSU has facilities and resources that make students choose and stay in North Dakota for their college education. Without top notch facilities, NDSU will be further challenged in attracting future students and faculty. With **64%** of the engineering and computer science graduates in North Dakota coming from NDSU, the lack of attracting students to NDSU further compounds the situation that North Dakota firms will continue to have a shortage in hiring engineering and computer science talent into their workforce. With student visits being extremely important in the area of recruitment, having a favorable impression about the quality of facilities allows for attracting these students as well as providing a quality education. In today's market, engineering and computer science positions are going unfilled because there is inadequate student population going through the college systems to fulfill the needs of industry.

For the reasons mentioned above, the NDSU College of Engineering Advisory and Advancement Board (CoEAAB) requests approval of House Bill 1003 with funding for new engineering facilities at NDSU. We appreciate your consideration of our request and your service on behalf of the state of North Dakota.

Sincerely,

Jennifer Gora
CoEAAB Chair

Jerry Specht
CoEAAB Vice Chair

DICKINSON® STATE UNIVERSITY

# Budget Presentation

President Stephen D. Easton

**Senate Appropriations Committee--**
**Education and Environment Division**
**March 8, 2023**

1

## JANUARY 2020 BUDGET REDUCTION SUMMARY

| | |
|---|---|
| Elimination of 14 Occupied Positions* | $864,676 |
| Vacated Positions Left Unfilled* | $2,582,387 |
| Early Retirements and Voluntary Separations* | $689,881 |
| Non-Personnel Budget Cuts | $1,170,213 |
| **Total Reductions / Biennial Savings** | **$5,307,157** |

**DSU reduced a total of 36 FTE*

DICKINSON® STATE UNIVERSITY

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# INITIATIVES

CERT Welding Technology

**4 + 1 Ag Program with NDSU**

**Master of Education-Elementary Education**

Online Teacher Education Program

**Dual Mission Opportunities**

**Accelerated Bachelor's to Master's Programming**

**AAS & CERT Information Technology (F22)**

$10,000,000 Theodore Roosevelt Programs Donation

Addiction Studies Minor

Dual Credit/Early Entry Programming

**New Transfer Pathways**

**AAS Diesel Technology (F23)**

AAS Fire Protection & Safety (F23)

Tuition Freeze

**BSED – Health Education**

**Summer School/Winter Intersessions**

**"Back in the Saddle" Scholarships**

Delivering Same Remotely as F2F "DSUlive™"

**Nursing Simulation Lab Project**

**Master of Business Administration (MBA)**

**Counseling Center**

CDL Truck Driver Training (WSC TrainND)

Workforce Training/CTE/Collaborations

**AAS Construction Technology (F25)**

CERT Meat Processing (F23)

**Master of Sport Administration**

**ADRN & Online Bachelor of Science in Nursing (F24)**

CERT Hospitality

**Career Academy Partnership with Dickinson High School (Innovation Award)**

DICKINSON STATE UNIVERSITY

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The Dickinson Press

NEWS | LOCAL | News Reporting

## Recent high school grad finds calling as a welder

"I could do this forever," DSU welding student Dawson Moore said.

DSU welding student Dawson Moore with a metal target system he created for a class project. Contributed / Dawson Moore

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The JOURNAL

www.JournalTrib.com Wednesday, August 31, 2022 Crosby, ND Vol. 121, No. 35 - Price $1.00 Crosby, ND

## Working at school while in school




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KFYR TV
YOUR NEWS LEADER

## TrainND Northwest to expand CDL course availability to Dickinson area




TrainND Northwest(kfyr)

By Michael Anthony

*Published: Jan. 27, 2022 at 5:47 PM MST*

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The Dickinson Press

Also published online in
**FARGO FORUM**
(online 3/6/23)

# BREAKING BARRIERS

**Japanese DSU student overcomes challenges to earn agriculture degree**

By Jason R. O'Day
The Dickinson Press

Dickinson

As soon as Youka Taniguchi stepped off the plane in North Dakota, she knew she was in for the adventure of a lifetime, but little did she know that her entire paradigm would shift courtesy of her experiences in a small community of a little more than 650 people. Coming from a small town on the northern Japanese island of Hokkaido, Youka was used to living in a tight-knit community surrounded by farmland, but the agricultural practices she observed in North Dakota were completely different than what she was used to and fascinating to the teenage Japanese exchange student.

Taniguchi arrived in 2016 her junior year. She attended New England High School alongside another foreign exchange student named Tamar Arabi from the eastern European country of Georgia. Together they lived with their host family, Eric and Naomi Wood. Youka said she and Arabi went to New England because Dickinson wasn't accepting foreign exchange students that year. After finishing up her junior year she returned to Japan to finish high school.

Longing for the experiences and rolling prairies of southwest North Dakota, she returned in 2018 to begin her study of Agriculture at Dickinson State University.

Naomi said she's very impressed with what both of her exchange students have gone on to do, noting that Tamar is now a microbiologist back in her home country. Between 2016 and 2020 Naomi and her husband took in eight international students, four of them from Japan — noting that the Japanese students struggled the most with the language barrier.

"She (Youka) was just a headstrong girl who was like I'm doing this, I'm gonna do that and I'm gonna get it done," Naomi said in an interview with The Dickinson Press.

Contributed photos / Youka Taniguchi

Youka Taniguchi found a new friend during an ag tour at a farm in southwest North Dakota.

Youka mowing the lawn at her family farmstead in Japan

**'Amazed at the differences'**

Youka's home province on the northern Japanese island of Hokkaido is Agriculture dominant, with an economy centered on the industry. Shintoku, her hometown, has a 3 to 1 cow to human ratio and lies in a wet area with an annual average of 46 inches of precipitation.

"I was amazed by how different the agricultural practices were. And that kind of started me on pursuing agricultural studies," she said.

"In high school, I had multiple classmates who were involved in their family business. I didn't see that many farm kids getting involved in their family business in Japan."

Her family has a dairy farm with 300-400 cattle on 45 hectares, or 110 acres, which made life a little more claustrophobic for the cows than typical in the United States.

"Our dairy cattle actually don't go grazing in the field. They just stay in the barn... So they just walk around the barn freely," Youka said. "How it feels like (farmers) are more advanced with animal welfare."

She said the language barrier was especially tough during her first few months on the Western Edge.

"I still have struggles with English now. But back then it was at a different level. Like the first couple months I couldn't respond much because I'm trying to still understand, but they're expecting my response and my brain kind of freezes," Youka said, adding that her friends and host family were very helpful in her gaining confidence and learning. "They were constantly trying to get me to express my feelings, thoughts and so on. They were very patient."

During her time at DSU she said Bbq 22 was one of her favorite

BARRIERS: Page 6

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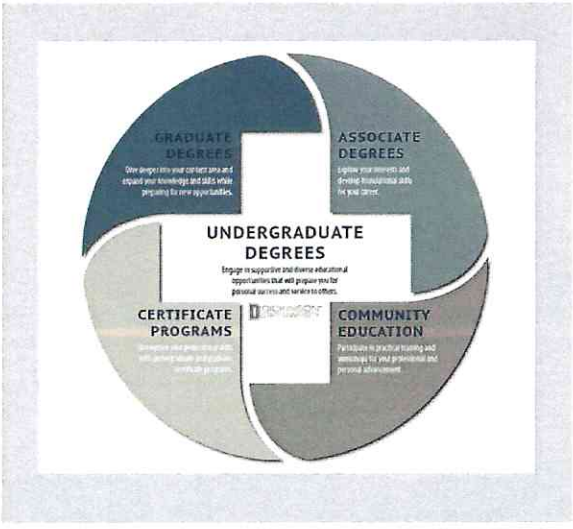


Since its inception, Dickinson State has strived to deliver excellent education to meet the needs of the region. As the needs of our community have evolved, the University has answered the call for change. DSU is offering the same type of education up and down the spectrum, whether at the non-credit, certificate, two year, four year, or graduate level, to ensure that our workforce in North Dakota is qualified and workers do not need to travel elsewhere to receive education or training.

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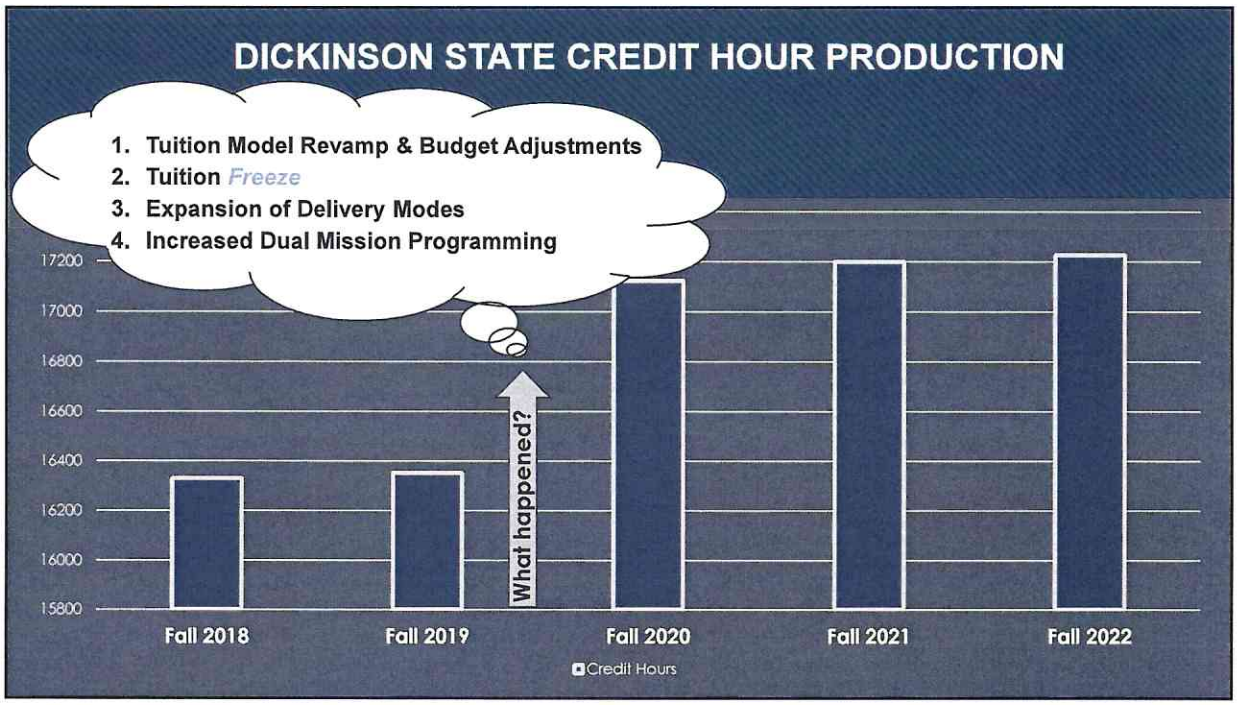


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## KEY FINDINGS FROM 2022-23 CENSUS REPORTS

From Fall 2022 Census Report:

- **Overall enrollment headcount increased from 1415 to 1473 (4.10%).**
- **Transfer students increased from 149 to 159 (6.71%).**
- **Early Entry/Dual Credit increased from 143 to 229 (60.1%).**
- **Part-time enrollment increased from 425 to 488 (14.8%).**

From Spring 2023 Census: **Head count up 3.4% over previous year**

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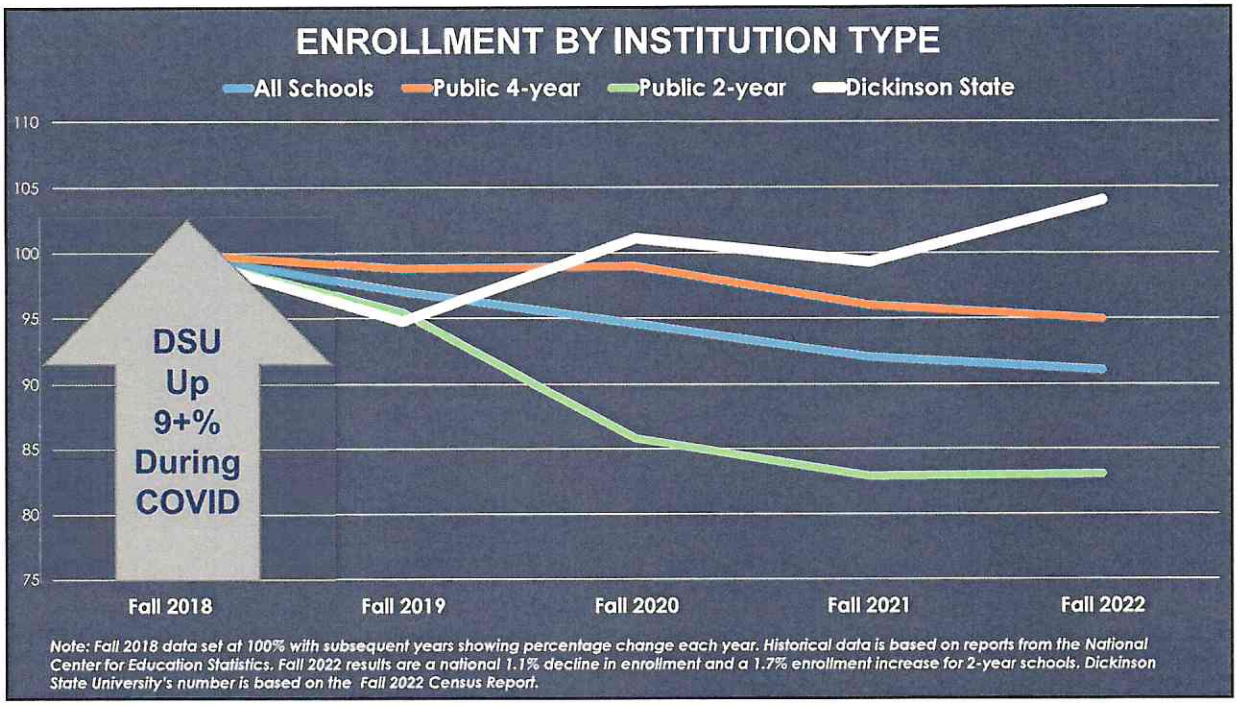


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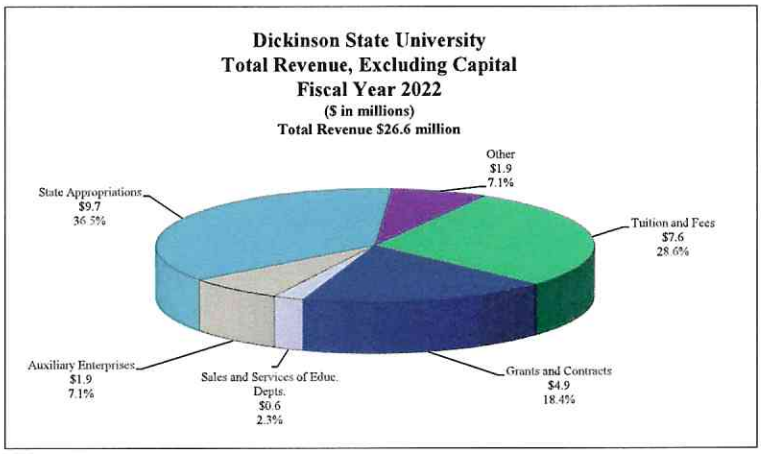


Source: Audited NDUS Financial Statements, June 30, 2022

Auxiliary Enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing.

Sales and Services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are advertising in campus publications, fees for conferences organized by the institution and ticket sales for campus theatrical and musical events.

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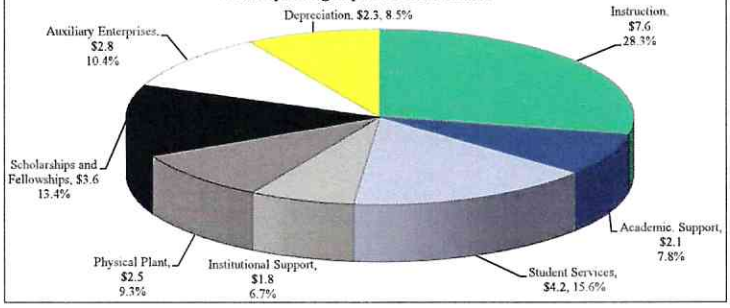
**Dickinson State University**
**Operating Expenses by Function**
**(excluding capital items and other nonoperating expenses)**
**Fiscal Year 2022**
**(in millions)**
**Total Operating Expenses: $26.9 million**




Source: Audited NDUS Financial Statements, June 30, 2022

The **instructional function** includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. **Academic support** includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. **Student services** include offices that provide a specific service to students, including career services, registration, admission and counseling. **Institutional support** includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The **physical plant function** includes upkeep, maintenance and utilities for campus facilities. **Scholarships and fellowships** include aid provided to students. **Auxiliary enterprises** are the self-supporting activities of the campuses, such as bookstore, food service and housing. **Depreciation** represents the non-cash expense of capitalized assets over time. **Public service** includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The **Research function** is activities specifically organized to produce research.

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DSU West Campus Overview
Fairway St
Edgewood Hawks Point
Jefferson Elementary School
Briahna Allen
DSU - Agriculture Building
Murphy Hall
Dickinson State University
Scott Gymnasium
Pulver Dr
Google

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2022 Blue Hawk Stampede

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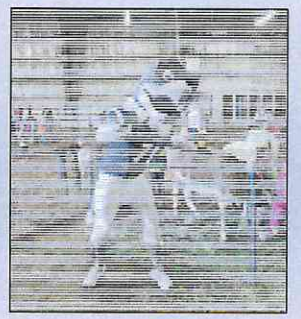
**2022 Kids Day on the Farm**



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## 2023-2025 REQUESTS

1) Agriculture Building renovation (and support for TR digitization and ongoing capital projects)
2) $24 Workforce Education Innovation Fund for startup expenses
3) Re-Energize Scholarship Program (for oil and gas workers and their families)
4) Challenge Grant support at MSU/BSC level
5) Full funding of increased employment expenses and 7.5% funding formula boost for cost explosion relief/assistance

DICKINSON STATE UNIVERSITY

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# House Appropriations Education and Environment Sub-Committee Presentation
January 11, 2023

Stephen Easton, President

## Agency Overview

00239 Dickinson State University

Hearing Date: 01/11/2023

**Agency Statutory Authority** North Dakota Century Code 15-13-01.

### Agency Description

Dickinson State University (DSU) is a comprehensive state institution, one of eleven colleges and universities that make up the North Dakota University System. The university employs approximately 180 faculty and staff with an enrollment of approximately 1,400 students. More than 40 programs are offered at the undergraduate level, plus five graduate programs. The institution is comprised of two colleges, the College of Arts and Sciences and the College of Education, Business, and Applied Sciences. The majority of students come from North Dakota, Montana, and other Western and Midwestern states. Slightly over 60% of DSU students are from North Dakota. The 20% from Montana, 3% each from Wyoming and South Dakota, and 10% from other states potentially boost North Dakota's workforce, as many DSU alums stay in North Dakota after graduation. A strong contingent of international students are also an important component of the student body.

### Agency Mission Statement

Dickinson State University is a regional comprehensive institution within the North Dakota University System, whose primary role is to contribute to intellectual, social, economic, and cultural development, especially to southwestern North Dakota. The University's mission is to provide high-quality, accessible programs; to promote excellence in teaching and learning; to support scholarly and creative activities; and to provide service relevant to the economy, health, and quality of life for the citizens of North Dakota.

### Agency Performance Measures

DSU utilizes several North Dakota University System supported software platforms to track student engagement and progress. The University monitors recruitment and retention trends, including enrollment numbers (headcount and full-time equivalency, which is related to credit production), to inform strategic decisions..

### Agency Audit Findings and Actions Taken

*ND State Auditor – Audit for the Two-Year Period Ending June 30, 2020*

The audit report addressed a single finding related to the maintaining procurement documentation. To address this finding, the University established new procurement protocols. Examples of the new procedures include:

1. Having the Assistant AG review proposed contracts and agreements for services.
2. Working closely with Central Technology Service (CTS) on purchases that may involve or impact IT-related services and/or equipment.
3. Attaching documents related to payment on procurement items to the Request for Payment and storing the documents in the PeopleSoft Accounts Payable system.

In subsequent audit testing related to procurement, no issues were found

*Systemwide Transfer of NDUS Coursework – 8/19/2022 - #0126*

DSU currently uses internal and external fetching for NDUS course equivalencies, i.e., a table maintained by DSU where courses are made equivalent from the receiving institution and course equivalence can be "fetched" through a more automated process rather than the manual process required for courses from non-NDUS institutions. Auditors had thought that the built-in transfer process and course fetching were two separate processes, but during the recent NDHEUG conference, it was clarified that this is the same process, but terminology differed. This audit item has been closed.

Dickinson State University typically retrieves the academic transcript from NDUS transfer institution via Campus Connection, so the student is not charged the official transcript fee. DSU also provides student notice on its transcript ordering page. Parchment digital services programmers/engineers are working with NDUS to resolve functionality issues to attempt to ensure NDUS students are not charged for official transcripts for within system transfer. DSU utilizes Parchment software to determine if payments should be refunded.

The Director of Academic Records and Transfer Evaluation Specialist have implemented the review process of GERTA and Common Course Numbers in the Transfer Equivalency System and internal fetching tables to eliminate inconsistencies. The projected completion date for this process is June 1, 2023.

As of the fall 2022 semester, the Transfer Evaluation Specialist equates courses per articulation agreements upon transfer to DSU.

*Systemwide Peoplesoft Supplier Changes & Updates – 6/30/2022 - #0122*

DSU is a part of a group of institutions working with CTS to standardize the update and change process. The issues noted as a part of this audit are to be completed no later than June 30, 2023.

## Agency Major Accomplishments

1. Nationwide, undergraduate enrollment decreased over 9% during the Covid 19 pandemic (i.e., from fall 2019 to fall 2022). During that same time frame, DSU (which is primarily, though no longer solely, an undergraduate institution) accomplished a headcount enrollment increase of more than 9%, bucking the national and regional trends.

2. DSU has significantly expanded its Dual Mission programming in the CTE domain, including already launched and emerging (i.e., under development) programs in health sciences (including a CNA program), criminal justice, information technology, welding, diesel technology, meat processing, CDL (i.e., truck driving), and fire science. Partnership with the Southwest Area CTE Academy has made some of these programs possible.

3. DSU is offering (and working to develop) stackable, laddered credentials including certificates, associate degrees, bachelor's degrees, and master's degrees.

4. DSU's new master's programs include the Master of Arts in Teaching (MAT), the Master of Arts in Teaching-Athletic Educational Leadership, the Master of Entrepreneurship (ME), the Master of Business Administration (MBA), and the Master of Education-Elementary Education (MEd-ELED). DSU's Department of Agriculture and Technical Studies is partnering with North Dakota State University to offer Agriculture Education as a 4+1 offering, with students able to stay in Dickinson to pursue four years of undergraduate courses provided by DSU and one year of graduate courses provided by NDSU remotely. Thus, DSU is providing low-cost, high quality options for learners in our region at the graduate level.

5. DSU has recently added esports, competitive cheer, baseball, JV volleyball, JV men's and women's basketball, and women's wrestling teams to increase enrollment and diversify athletic opportunities for students.

6. DSU has reduced administration costs while still providing full administrative services by replacing what was once three Vice Presidents with a single Vice President/Provost, with half time deans of its two academic colleges, plus a dean of students.

7. DSU has kept the cost of pursuing an education law. Through the relatively young DSU Heritage Foundation, DSU is now offering $1.1 million of scholarships each academic year. DSU also froze its tuition and course fees for the current biennium.

8. DSU has signed agreements with Williston State College and other community colleges that allow students to complete an elementary education degree from DSU while remaining in their home communities.

9. DSU has cooperated with Dickinson Public Schools to provide "Early Entry" education in support of Dickinson High School's career academies.

10. DSU is now offering almost all of its face-to-face courses via simultaneous remote delivery under its trademarked DSUlive® platform. This is crucial to our access mission, as it makes DSU courses available to place-bound leaners, such as high school students and adults, including those who have earned some college credit, but not a degree.

**Agency Future Critical Issues**

1. Due to sales of several major assets by a previous administration, DSU has no substantial assets available for liquidation in the event of emergency.

2. DSU's historic campus has several deteriorating buildings and other facilities, including steam heating tunnels.

3. DSU continues to rebuild faculty and staff morale after a major budget reduction in 2020.

4. As enrollment increases, there are added pressures on the post-2020 downsized faculty and staff.

5. Though DSU is enthusiastic about its Dual Mission designation and the new CTE Center (in partnership with area high schools), it lacks full infrastructure to support forthcoming CTE opportunities and partnerships, including funds to start new technical programs.

**Agency's Request/Recommendation Totals, including FTE positions for the Next Biennium Compared to the Current Biennium**

**DICKINSON STATE UNIVERSITY**
**23-25 BIENNIUM BUDGET**

| *Category* | *Base Level 21-23 Biennium* | *Governor's Budget* | *% Chg* |
|---|---|---|---|
| Operations | 50,826,060.00 | 54,965,629.00 | 8.1% |
| Capital Assets | 409,078.00 | 1,309,078.00 | 220.0% |
| Total All Funds | 51,235,138.00 | 56,274,707.00 | 9.8% |
| Less Estimated Income | 30,992,408.00 | 33,578,034.00 | 8.3% |
| Total General Fund | 20,242,730.00 | 22,696,673.00 | 12.1% |
| Full Time Equivalents | 175.50 | 178.00 | 1.4% |

**Explanation of Program Costs and Other Notes (Including Explanation of DSU-Specific Requests Above Governor's Budget Recommendation):**

1. The chart above reflects the governor's budget recommendation. It does not include DSU's additional appropriations requests.

2. Because DSU is a service-orientated agency, personnel costs make up the largest component of its expenditures. Compensation costs account for approximately two-thirds of total anticipated expenditures. The remaining third (approximately) consists of general operating costs. Of total expenditures, approximately 46% is expended in direct support of Instruction, 22% for Institutional and Student Support functions, and 9% in support of the Physical Plant function. The remainder of expenditures are for scholarships and fellowships, auxiliary services, public service, research, and depreciation. The primary cost centers after salaries and wages are utilities, repairs, office and instructional supplies, travel, and staff development.

3. The increase in Operations is primarily driven by the proposed salary adjustments of 6%/4% over the biennium. An increase to the salary would result in a corresponding increase in fringe benefits. Please see discussion of "Full Funding of All Increased Employment Expenses" below.

4. DSU believes that, while the 7.5% inflation adjustment that was apparently used as a part of the overall NDUS budget request may have been reasonable when the budget was developed, an inflation adjustment of 8.5% for most non-compensation expenditures should be used. DSU has already seen significant cost increases in supplies and equipment. Please see the discussion of "Assistance with Past Inflation" below..

5. As the chart above reflects, the governor's budget recommendation includes a $900,000 appropriation for DSU to conduct a feasibility study and other planning costs regarding its proposed renovation of its Agriculture and Technical Education building, including its indoor arena. **DSU actually seeks a $13.6 million appropriation to renovate the Agriculture and Technical Education building**, including much needed

infrastructure improvements to the parking and sidewalk area around the building. The total project is estimated to cost $16 million. The DSU Heritage Foundation is prepared to raise $2.4 million, if the $13.6 million appropriation is approved. Please see the "Capital Project Request" discussion below.

6. As discussed below, the **cost of** purchasing a replacement **emergency generator has risen $600,000 over initial estimates**. DSU seeks an additional appropriation to reflect this added cost.

7. As is true for other North Dakota University System institutions, DSU receives the vast majority of its state support via funding formula payments. These payments are based on credit hours produced. Because DSU's enrollment has risen steadily in the current biennium, its funding formula payment in the next biennium is expected to rise somewhat. However, the "Estimated Income" category in the chart is concerning, as the main ways that the University could further expand income are by: an increase in the number of credit hours produced (i.e., enrollment); an increase in tuition and other fees; or a combination of the two. DSU has worked hard over the past 4 years to reduce costs and minimize increases to tuition and other fees, having gone the past 3 years with a freeze in these categories. DSU's Chief Operating Officer estimates that, to generate the 8% revenue increase reflected in the chart of the Governor's budget proposal, we would probably have to increase tuition and other fees 8 to 10%. Please see discussions of "Full Funding of All Increased Employment Expenses" and "Assistance with Past Inflation" below. If tuition has to go up by these amounts, enrollment will probably go down significantly, as the University anticipates that some current students may not return due to the high cost to attend and students who might have otherwise come to DSU might instead go to a university in South Dakota, Minnesota, or another state that is keeping costs of attendance relatively unchanged.

8. The small increase in FTEs is primarily related to the initiatives that are being advanced by the North Dakota University System, including additional student mental health support. The DSU administration has held the line on FTE after its substantial reduction in January 2020, despite numerous requests at DSU for new positions.

**Support of Requests that Affect the Entire North Dakota University System**

In addition to the DSU-specific appropriations requests discussed above, DSU supports the following appropriations requests that affect the entire North Dakota University System:

1. Full Funding of All Increased Employment Expenses North Dakota University System employees are funded by: (a) funding formula revenue; (b) tuition and fees; (c) other sources (sometimes including federal and grant funding); or (d) some combination of (a), (b), and (c). The Governor has recommended raises of 6% in 2023-24 and an additional 4% in the 2024-25. In addition, health insurance premiums are expected to rise substantially in the next biennium. Finally, with increased salaries, there will also be increased employment taxes. Thus, employment expenses are likely to increase substantially in the upcoming biennium.

It is DSU's understanding that the Governor's budget recommendation has only suggested increased appropriations to cover increased employment costs at NDUS institutions for positions financed via funding formula payments. To cover the substantially increased compensation costs for other positions, including those funded via tuition, DSU and other NDUS institutions would have to adopt large tuition increases. Large tuition increases will drive our students to other states that are freezing tuition (such as South Dakota) or otherwise substantially reducing the cost of attendance at state colleges (like Minnesota). Therefore, DSU requests an appropriation for the entire increased costs of employment (i.e., raises, increased health insurance premiums, and additional employment taxes) expected in the upcoming biennium, so substantial tuition increases can be avoided. For DSU, with a biennial compensation expense budget of about $21.4

million, this would add $1.26 million.

2. Assistance with Past Inflation: In 2021, the Consumer Price Index increased 7.5%. https://www.bls.gov/opub/ted/2022/consumer-prices-up-7-5-percent-over-year-ended-january-2022.htm. During the year ending in November, 2022, prices increased an additional 7.1%. *See* https://www.bls.gov/cpi/. Although the CPI measures costs increases for a somewhat different bundle of goods and services than those purchased by colleges and universities, it provides a reasonable, though perhaps understated, estimate of increased costs in the higher education sphere. Thus, it appears that NDUS institutions probably faced inflation over the current biennium of more than 14% for non-compensation expenses.

DSU supports a request for an additional appropriation of 8.5% to cover non-compensation expenses, as this would assist with, though by no means fully solve, the problems associated with past increased costs. DSU's budget for non-compensation costs is approximately $17.2 million per biennium. By using 8.5 % as the inflation adjuster for calculating the appropriation, DSU would be eligible to receive an additional $1.46 million to assist with management of these increased costs, at the 8.5% rate.

3. Workforce Education Innovation Fund This fund would allow NDUS institutions to stand up new workforce programs, by paying start-up expenses for new programs. This would be a game-changer for DSU as we continue to pursue our Dual Mission via career and technical education programs, which are much more expensive than most traditional liberal arts programs. For example, we estimate $2 million of expenses to launch our Diesel Technology program. While the Governor has helpfully incorporated $10 million for these purposes in his budget recommendation, DSU supports the full $24 million NDUS appropriations request.

4. Oil & Gas Scholarship Program: The oil and gas industry provides a substantial portion of North Dakota's taxes, via both extraction and use taxes. DSU supports the NDUS proposal to start a "Re-Energize North Dakota" program that would provide scholarships to those employed in the oil and gas industry, as well as their spouses and children. This program would assist in North Dakota's efforts to retain and attract oil and gas workers. The Governor's budget recommendation includes $10 million for this program. DSU endorses this NDUS initiative.

5. Other NDUS Scholarship Initiatives: DSU supports NDUS proposals for support of academic and CTE scholarships, the ND Career Builders scholarship and loan repayment programs, and Dual Credit scholarships.

6. Increased Challenge Grant Funding: DSU enthusiastically supports the Governor's recommendation to increase Challenge Grant funding to $50 million. Under this program, each dollar that the taxpayers invest in North Dakota higher education is matched by two dollars of private support, so the taxpayers would garner $100 million of investment under the Governor's recommendation. Due to strong community support and effective fundraising by the DSU Heritage Foundation, DSU is usually the first or one of the first NDUS institutions to raise enough funds to use its full Challenge Grant allocation. Thus, an increase in Challenge Grant funding is likely to be a major benefit to DSU and its students.

7. Minimum Funding Formula Payment (a.k.a. "Circuit Breaker"): The NDUS proposal to reinstate a minimum funding formula payment (such as some percentage of the previous biennium's funding formula payment) would not benefit DSU in the current biennium, because DSU's enrollment has increased during the relevant period, so its funding formula payment should also increase. However, DSU supports reinstatement of the minimum funding formula payment, at the level the Legislature determines to be appropriate, as a circuit breaker against conditions outside NDUS institutions' control that drive down enrollment.

8. Higher Education Stabilization Fund: In his testimony before the House Appropriations Committee, NDUS Chancellor Mark Hagerott

reiterated his longstanding support of a higher education stabilization fund patterned after the K12 stabilization fund. As an institution in North Dakota's oil patch and farm and ranch territory, where economic conditions can vary widely over time, DSU supports this initiative.

There is also an area of potential concern. While DSU supports full funding, including "catch up" payments, to support NDPERS defined benefit plans, it cannot support any proposal to have NDUS institutions and other state government agencies pay the "catch up" amounts needed for full funding. If these funds are to come from NDUS institutions, large tuition increases would be unavoidable. It is unfair to ask current student to pay for many past years of underfunding of defined benefit plans. Thus, DSU requests that all catch up payments be fully financed outside of tuition increases.

**Purpose and Use of One-Time Funding for the Current Biennium**

During the 2021 Special Legislative Assembly, DSU was awarded $4,000,000 in one-time funding related to fiscal recovery funding that was intended to be used to complete the Pulver Hall renovation to accommodate the Theodore Roosevelt Center, to remodel an area in the Ag Building to house the meat processing lab, and for other projects. In addition to the two listed projects, which are now complete, DSU is using a portion of these funds to update its nursing simulation center. In addition to other projects of lesser costs, DSU is hoping to use a portion of the funds for a new emergency generator system. When we first estimated the cost for this project, the expected cost was about $1.1 million. When we recently updated this estimate, the expected generator cost rose to $1.7 million, for the same specifications. In addition, there is now a 60-week lead time. This seems to be one of the supply side effects of the Covid 19 epidemic.

As a result of this 55% increase in the cost for this project, it will be necessary to carry over a portion of the overall project cost and to request additional funds for the 23-25 biennium to complete the project. As noted above, DSU requests an additional $600,000 appropriation for this expense.

**Capital Project Request**

DSU's primary capital project appropriations request is for support of major renovation of its Agriculture and Technical Education building, including entry sidewalks, parking lot, and adjoining indoor arena. Based upon discussions with experts, we estimate the renovation will require $16 million. The DSU Heritage Foundation plans to raise $2.4 million for this project. We are requesting $13.6 million in state support. The importance of this project is outlined below.

- The project addresses current life, health, and safety issues

Classroom seating in main Agriculture and Technical Education building (Ag building), has not been replaced since original construction in about 1981, so it is starting to fail. These hazards have potential to cause injuries to students and community members attending Celebration of Scholars, senior Ag presentations, classes, and various other events. The adjoining indoor arena has considerable aging, with exposed rust and other dangers. Substantial roof leaks made the arena unusable due to safety concerns about four years ago. Roof repairs were made, but these roof issues are highly likely to recur. Both the concrete walkway to the building and the adjacent parking lot have substantial pooling of melted snow that freezes during winter, causing both walking and driving risks. [The walking hazard is in a location that cannot be avoided by those entering the building through its main entrance. The parking lot issue is in a driveway that cannot be avoided by those entering the building from State Avenue, which is the entry used by over 90 percent of students, faculty, staff, and community members coming to the Ag building.] Also, fencing needs to be added to parking facilities to prevent animal runaways.

The Ag building and adjacent indoor arena were built prior to the adoption of the ADA. Renovations will take ADA considerations into account, including the water and ice issues noted above.

- The project corrects significant deferred maintenance

The Ag building was constructed more than forty years ago (1981 for the main Ag building; 1979 for the indoor arena portion). Rust, cracking, roofing, and other issues need to be addressed, as does outdated and dangerous classroom seating. [We replaced carpet in the summer of 2022. We believe this is the first carpet replacement in the building's history. Also, we have updated the meat processing lab in the current biennium, thanks to the $4 million legislative appropriation discussed above. We believe these to be the first significant major maintenance projects in the building's history, other than the previously noted roof repairs. We are not requesting funds for these projects, because we addressed them in the current biennium.]

- The project addresses critical maintenance needs

Doors in the indoor arena portion of the Ag building, including large garage-type doors, are overdue for replacement. Rust issues need to be addressed. Roof issues were addressed about four years ago, but they are highly likely to recur.

As noted above, classroom seating needs to be replaced. Failure of the seating will not do damage to the building itself, but it could result in injury.

- The project meets a compelling programmatic or accreditation justification consistent with campus mission and strategic goals

Our Agriculture program is strong, showing a 24 percent increase over the past three years. It presents a small school alternative that some in our region, including central and eastern North Dakota, prefer instead of attending a large university for an Agriculture education. Our Agriculture programs are an important component of our Dual Mission initiatives.

In our Dual Mission efforts, we continue to pursue new ways to cost effectively offer agricultural and technical education. For example, we recently signed an agreement with NDSU to provide a 4 + 1 program (with DSU providing four years of education and NDSU providing one, via distance delivery to students in Dickinson or elsewhere) for those interested in Ag Education master's degrees. This program has already proven to be popular.

As another example of the importance of updating these facilities, our Ag program includes equine classes that use the indoor arena, especially in winter months. Area high school students take our equine courses. We need a functioning indoor arena to facilitate our educational programs, including those that reach non-traditional students. If nothing is done, the centerpiece of one of DSU's key programs will continue to age and deteriorate.

- The project is supported by significant outside funding

Our plan is for the DSU Heritage Foundation to raise $2.4 million, to match the requested $13.6 million in state funding. Thus, we plan to raise a significant portion of the cost of this project.

- The space will be used to advance a specific program or activity that is a high priority of the state

Concern has been expressed about the dilapidated condition of the Ag building, including its attached indoor arena. DSU believes the presence of a strong Agriculture program in western North Dakota is a priority. DSU also believes that a smaller agriculture program is important to the entire state and the region, as some students (including a few from other parts of the state) prefer a smaller program. With the building's indoor arena lacking the technology needed for efficient distance delivery, we need to modernize to correct these deficiencies and advance our educational footprint.

- The project addresses an urgent infrastructure need

As delineated above, there are significant concerns with the current condition of the Ag building, its attached indoor arena, sidewalk, and parking lot. Unfortunately, other deferred maintenance projects will consume the tiered funding that will (hopefully) be provided in the next legislative session. Thus, there will not be enough tiered funding to address the overdue upgrades to this facility and to the remainder of our aging campus. With the addition of the generator for the DSU West campus that is part of this proposal, safety issues will be addressed for animals, students, and others when traditional power is lost. This generator should also provide utility bill cost savings, as power can be purchased less expensively by those with emergency generators.

- The project fosters the consolidation of services or enhances operating efficiencies

The indoor arena has several important uses. It is used as traditional teaching space. Unfortunately, it does not currently have classrooms and modern equipment for effective distance delivery. The arena is used for community events, including but not limited to, "Kids Day on the Farm," an annual event where more than 1,000 youngsters learn about animals and agriculture. It also serves as a practice facility for our rodeo team. Unfortunately, though, it is too small to host a full rodeo and it does not have room for rodeo audience seating. With the improvement of the indoor arena, classrooms and other malfunctioning areas, this facility will be safe for students, faculty, and visitors.

A modernized and expanded indoor arena would upgrade these programs substantially. To be sure, it has been helpful to our Ag programs to have the indoor area, even in its dilapidated condition. But the current learning environment is too small and too dated to fully accommodate our Ag (and rodeo) program needs. Also, a DSU West generator would assure a safe environment for our students to learn during otherwise severe conditions and save DSU operating expenses over the long term.

- The project enables the institution to remove obsolete or unnecessary facilities

The sidewalk and parking lot issues need to be addressed. Being a host for numerous events, this concern has to be fixed. Because DSU wishes to exercise good stewardship to one of our key programs, these changes are urgent to uphold the university's scholarly reputation.

The indoor arena has serious inadequacies, including insufficient space, roofing issues, rust, and door concerns. It is difficult to know when this type of facility is completely "obsolete," as we do continue to use the arena, albeit with significant limitations. But the arena is no longer meeting the needs of those who use it, including the faculty, students, and community members.

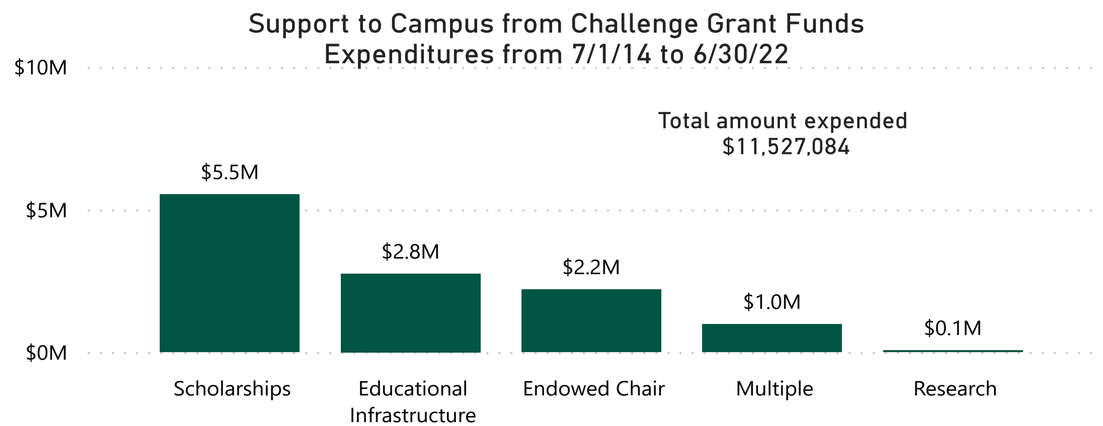
We believe that the last time the State of North Dakota funded a new building project at DSU was the 1981 construction of the Ag building. The

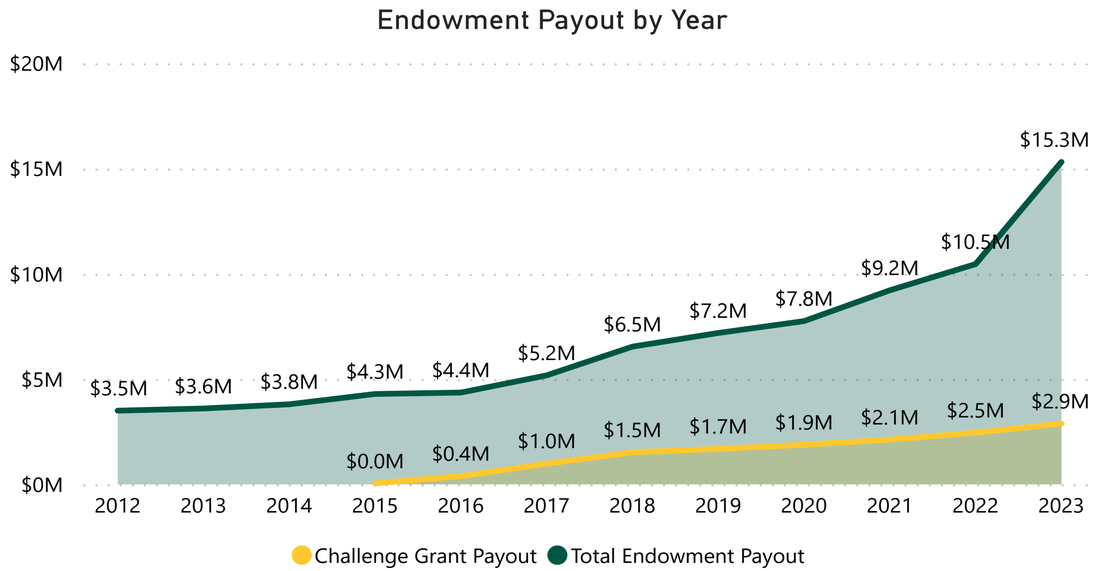
state has built many buildings on other NDUS campuses during the intervening four decades. Thus, DSU might have been justified in requesting an entirely new structure for its Ag building. But, as responsible stewards of taxpayer funds, we believe the overdue improvements can be achieved at substantially lower cost, via renovation of the existing facilities.

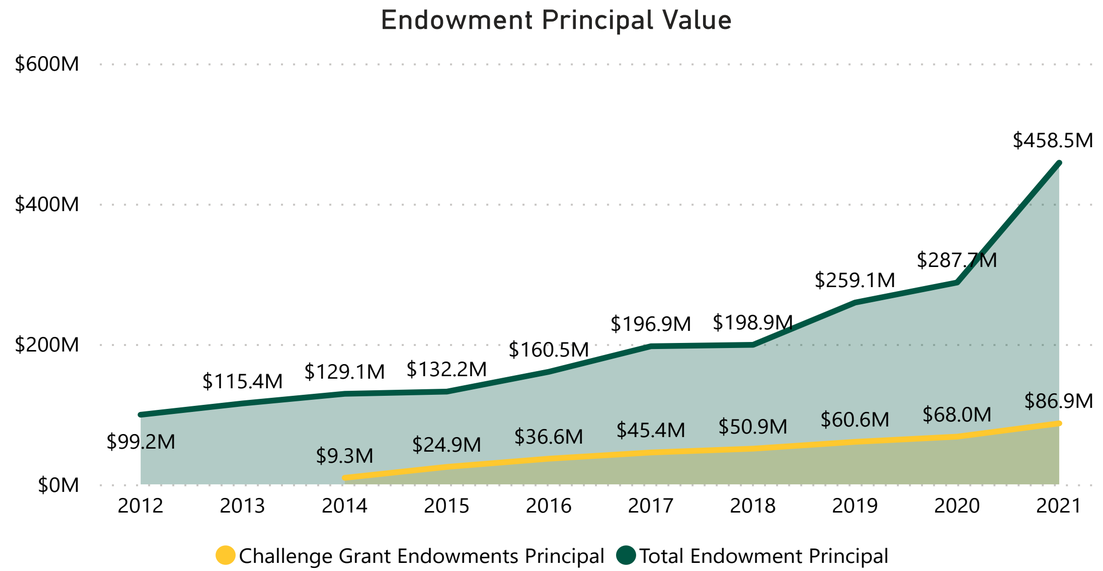
NDSU | FOUNDATION

**North Dakota Higher Education Challenge Grant Fund**
**Outcomes Report - January 2023**

| Biennium | Private Donations | State Grant | Total |
|---|---|---|---|
| 2013-2015 | $20,000,000 | $10,000,000 | $30,000,000 |
| 2015-2017 | $13,493,319 | $6,746,660 | $20,239,979 |
| 2017-2019 | $400,000 | $200,000 | $600,000 |
| 2019-2021 | $3,400,000 | $1,700,000 | $5,100,000 |
| 2021-2023 | $3,400,000 | $1,700,000 | $5,100,000 |
| **Total** | **$40,693,319** | **$20,346,660** | **$61,039,979** |



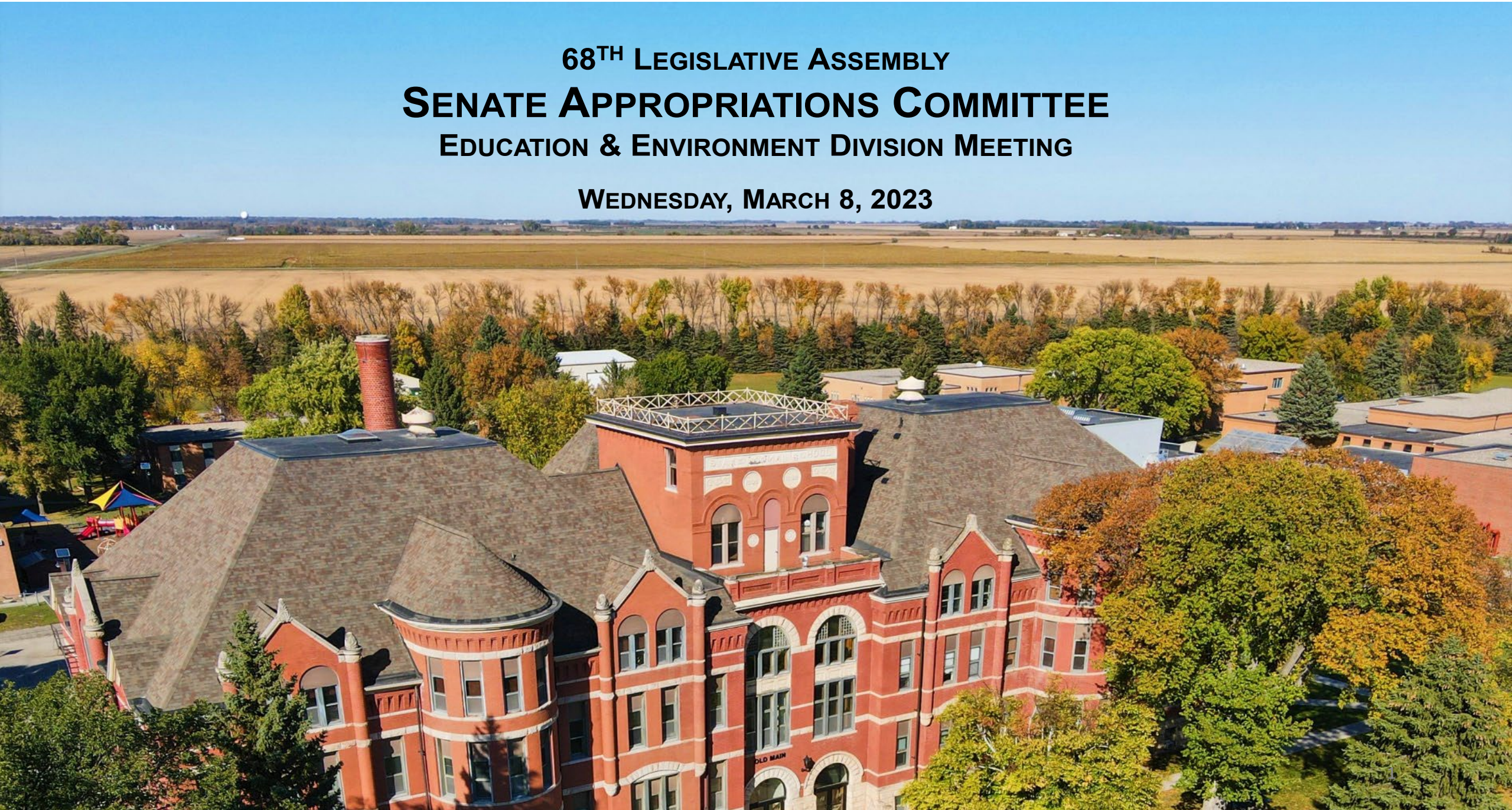



# 68TH LEGISLATIVE ASSEMBLY

# SENATE APPROPRIATIONS COMMITTEE

## EDUCATION & ENVIRONMENT DIVISION MEETING

### WEDNESDAY, MARCH 8, 2023



# Women's and Men's Basketball Teams Headed to NAIA Nationals!

**Our Comets women's and men's basketball teams each won their North Star Athletic Association tournaments and punched their tickets into the 2023 NAIA National Tournament!**

Dr. Brian Van Horn
President

Ms. Amber Hill
Vice President for
Business Affairs

Mayville State was established by constitutional charter in 1889 and is a member of the North Dakota University System. ND Constitution Article VIII, Section 6; North Dakota Century Code Chapter 15-13.

## Mayville State University Mission

Mayville State University is dedicated to excellence in teaching, service, and scholarship in dynamic, inclusive and supportive learning environments that are individually focused. We offer quality undergraduate and master's programs enriched with practical experiences to prepare all learners for a global economy.

*Approved by the State Board of Higher Education*
*November, 2016*

**Mayville State University**
**Dr. Brian Van Horn, President**

- **Dr. Brian Huschle** — Vice President for Academic Affairs
- **Ms. Amber Hill** — Vice President for Business Affairs
- **Ms. Misti Wuori and Ms. Rhonda Nelson** — Interim Co-Deans of Student Affairs
- **Dr. Lon Jorgensen** — Executive Foundation Director
- **Mr. Jay DeCann** — Athletic Director
- **Ms. Beth Swenson** — Director of Public Relations

# Accomplishments for 2021-2023

1. CFI score improvement from .41 to 4.07.
2. Development of workforce degrees (nursing, special education, master's degrees).
3. 69% of ALL our students are from North Dakota.

# Challenges for 2023-2025

1. Workforce equity pay (currently 73% median of market).
2. Deferred maintenance reduction.
3. Budgetary consistency to remain revenue neutral.

# Highlights

- In 2021, of the 56 ND Math Education graduates who passed the Praxis, 11 came from Mayville State.
- Ranked highest of North Dakota's public colleges and universities on WalletHub Best Colleges List.
- Developed Special Education degrees and courses to raise interest in this high-need area.
- The last two bienniums, Mayville State has added degrees in Education, Agribusiness, and Nursing to aid our state's workforce.

# 80+ graduate, major, minor, certificate, and pre-professional programs

## Graduate Programs

### MASTER OF EDUCATION

Master of Education (M.Ed.)

Adult Teaching & Learning Track

Innovative Teaching Practices Track

Special Education Track

Graduate Certificate in Educational Studies

Graduate Certificate in Special Education

Graduate Certificate in Online Digital Teaching

### MASTER OF ARTS IN TEACHING

Master of Arts in Teaching (M.A.T.)

### MASTER OF SCIENCE IN NURSING

Master of Science in Nursing (M.S.N.)

Nursing Leadership & Management Track

Nurse Educator Track

Nurse Educator Certificate

Nursing Leadership & Management Certificate

# 80+ graduate, major, minor, certificate, and pre-professional programs

**BIOLOGY**
Biology B.S.
Biology Minor
Composite in Science Education B.S.Ed.
**BUSINESS**
Accounting B.S.
Business Administration B.S.
Business Administration B.A.S.
Business Management A.A.
Accounting Minor
Business Administration Minor
**CHEMISTRY**
Chemistry B.S.
Chemistry Minor
**COMMUNICATION**
Communication B.A.
Communication Minor
**EARLY CHILDHOOD**
Early Childhood A.A.
Early Childhood B.A.
Early Childhood Education B.S.Ed.
Early Childhood Education Minor
**EDUCATION**
Elementary Education B.S.Ed.
Secondary Professional Education
**ENGLISH**
English B.A.
English Education B.S.Ed.
English/English Education Minor
**GEOGRAPHYa**
Geography Minor
**HEALTH, PHYSICAL EDUCATION & RECREATION**
Allied Health B.S.
Coaching Minor
Fitness and Wellness B.S.
Fitness and Wellness Minor
Health Education B.S.Ed.
Health Education Minor
Physical Education B.S.Ed.
Physical Education Minor
Sport Coaching B.S.
Sport Management B.S.
Sport Management Minor
**HISTORY**
History/History Education Minor
**HUMANITIES**
Music Minor
University Studies A.A.
University Studies, B.U.S.
**LIBRARY MEDIA AND INFORMATION SCIENCE**
Library Media and Information Science Minor
**MATHEMATICS**
Mathematics B.S.
Mathematics Education B.S.Ed.
Mathematics/Mathematics Education Minor
**NURSING**
Nursing (RN-to-BSN) B.S.
**PSYCHOLOGY**
Applied Psychology B.A.
Psychology Minor
Psychology Education Minor
**SCIENCE**
Agribusiness B.S.
General Science Minor
Physical Science Minor
Science for the Elementary Teacher Minor
**SOCIAL SCIENCE**
Composite in Social Science Education B.S.Ed.
Social Science B.A.
Social Science/Social Science Education Minor
Sociology Minor
**SPECIAL EDUCATION**
Special Education - Early Childhood B.S.Ed.
Special Education - Elementary Educ. B.S.Ed.
Special Education - Secondary B.S.Ed.
Special Needs Minor
**Certificates**
Biotechnology Certificate
Business Studies Certificate
Kindergarten Endorsement
Online Digital Teaching Certificate
Special Education Certificate
Developmental Adapted Physical Education Certificate
Emergency Response Certificate Program
Certificate in College Studies
**Pre-Professional**
Some students find it convenient to complete the first few years of college here before transferring to other institutions for advanced specializations.

# Building Our Workforce

With over 80 major and minor programs, Mayville State University builds North Dakota's workforce by teaching in-demand workplace skills through traditional academic programming, such as bachelor's degrees in Special Education, Agribusiness, Mathematics, Communication, Applied Psychology, and Biology while also offering bachelor's degrees in workforce programs such as Accounting, Business Administration, Nursing, Early Childhood Education, Elementary and Secondary Education, and Sport Management, and many pre-professional tracks.

Mayville State constantly innovates to meet the workforce needs of North Dakota.

Two recent examples include:

## Bachelor of Science in Special Education

- Prepares teacher candidates for entry to special education professional practice with knowledge and skills to practice safely, ethically, and effectively with a multi-categorical population of students with special needs.
- Fast-track option as well as an option for currently licensed teachers.

## Bachelor of Science in Agribusiness

- Prepares students to fill workforce needs in sales, cooperatives, banking, finance, and other agribusiness fields with skills found in the many facets of agriculture-related businesses in North Dakota and beyond.
- This program is purposefully developed for delivery in traditional, online, and hybrid models.

Students in our Agribusiness program

# Advancing Our Workforce

## Master of Education

M.Ed. degree offered online provides teaching professionals with online opportunities to advance their education.

- 8-week block programming allows currently licensed teachers to complete a Master of Education in as little as one year.
- Professional Teachers can choose from three tracks: Adult Teaching and Learning; Innovative Teaching Practices; or Special Education.

## Master of Arts in Teaching

MAT degree allows people with a non-teaching bachelor's degree to enter the teaching profession with a master's degree.

- Program is fully online, offering adults flexible and affordable advancement.
- Graduates enter the teaching profession in Social Studies, Mathematics, English, and Health and Physical Education.

## Master of Science in Nursing

Prepares nurses who hold a BSN for advanced nursing roles in healthcare leadership and management settings. Innovative program includes two tracks offered entirely online in five-week blocks.

- Nurse Educator Graduate Track prepares the baccalaureate-level registered nurse for advanced educator roles in academic and practice settings.
- Nursing Leadership & Management Graduate Track prepares the baccalaureate-level registered nurse for advanced nursing roles in healthcare leadership and management.

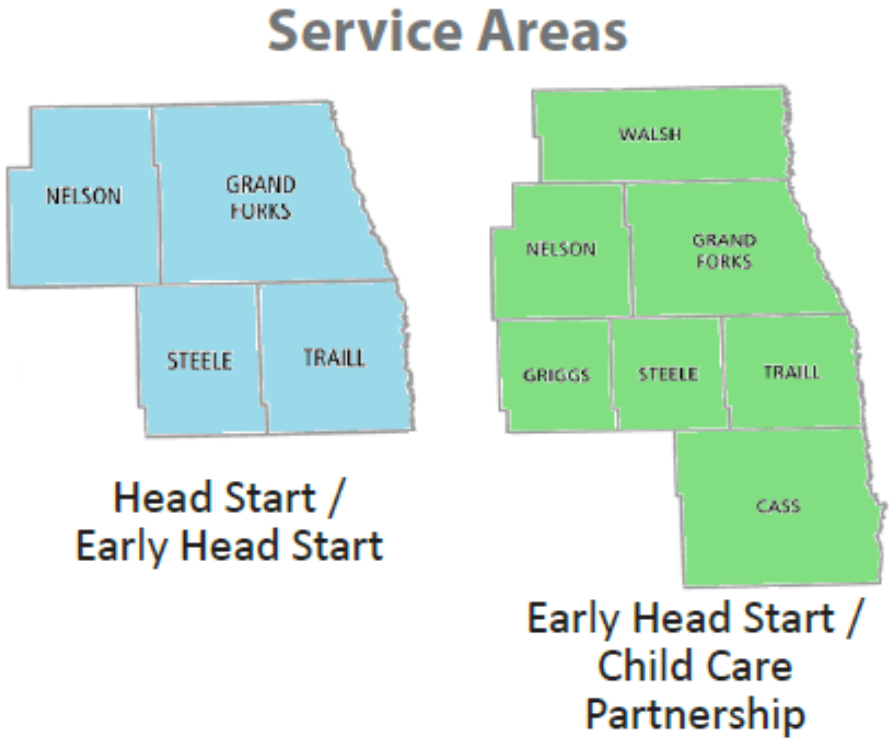
# Mayville State University Child Development Programs

(Head Start, Early Head Start, Early Head Start/Child Care Partnerships, Child Care, Lab School, and Pre-K Collaborations)

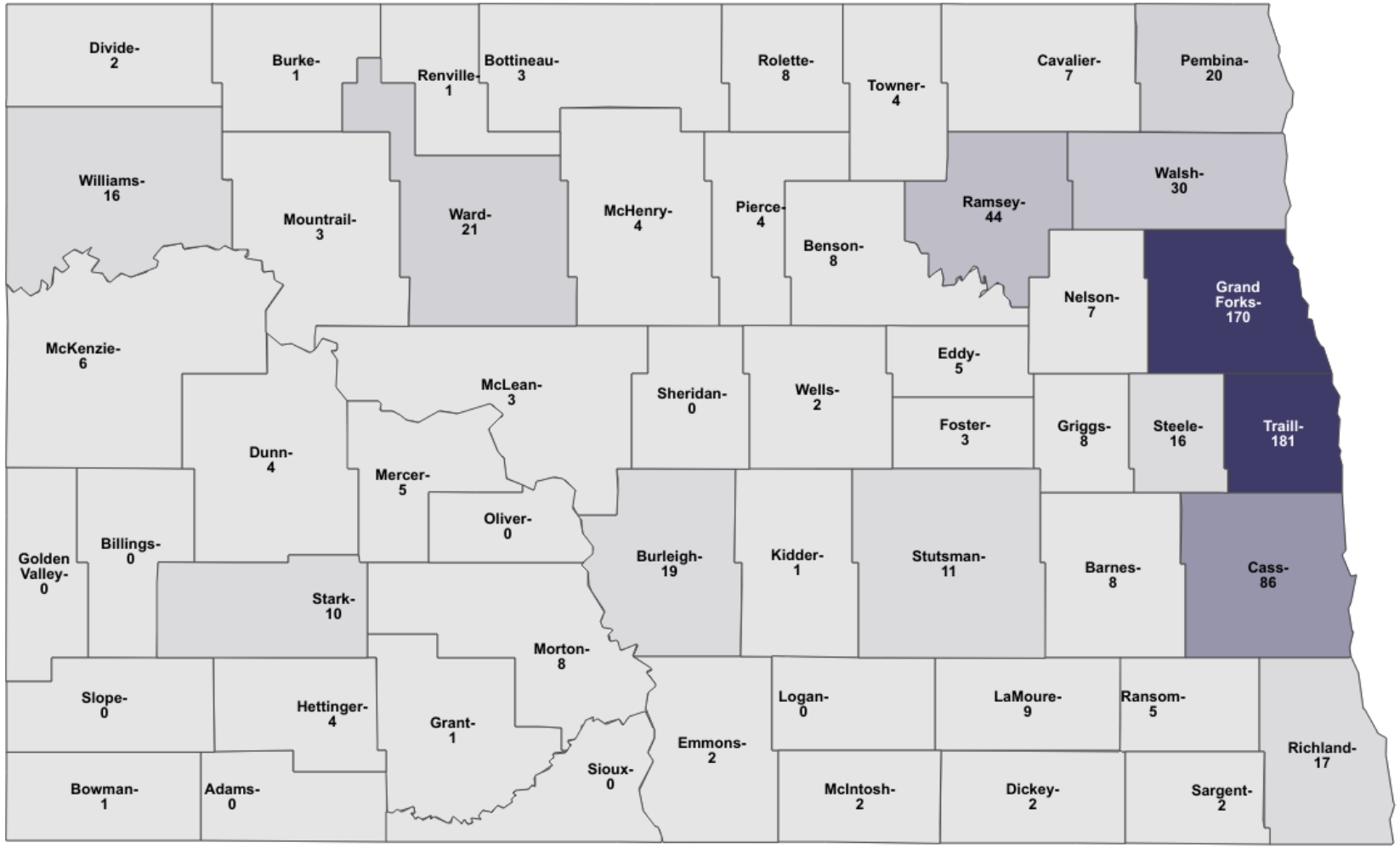
Mayville State University Child Development Programs (MSU CDP) leads the field of early childhood education in North Dakota by innovative collaborations with school districts, childcare centers, communities, higher education, and state agencies.

The program's **$4.8 million dollar annual budget** serves over **300** children and their families across **seven (7) counties**: Traill, Steele, Griggs, Nelson, Walsh, Cass, and Grand Forks.

Mayville State Child Development Programs centers and classrooms are situated in **seven (7) locations** in these communities: Mayville, Portland, Hillsboro, Buxton, Grand Forks, Fargo, and West Fargo.



# Serving North Dakota Students



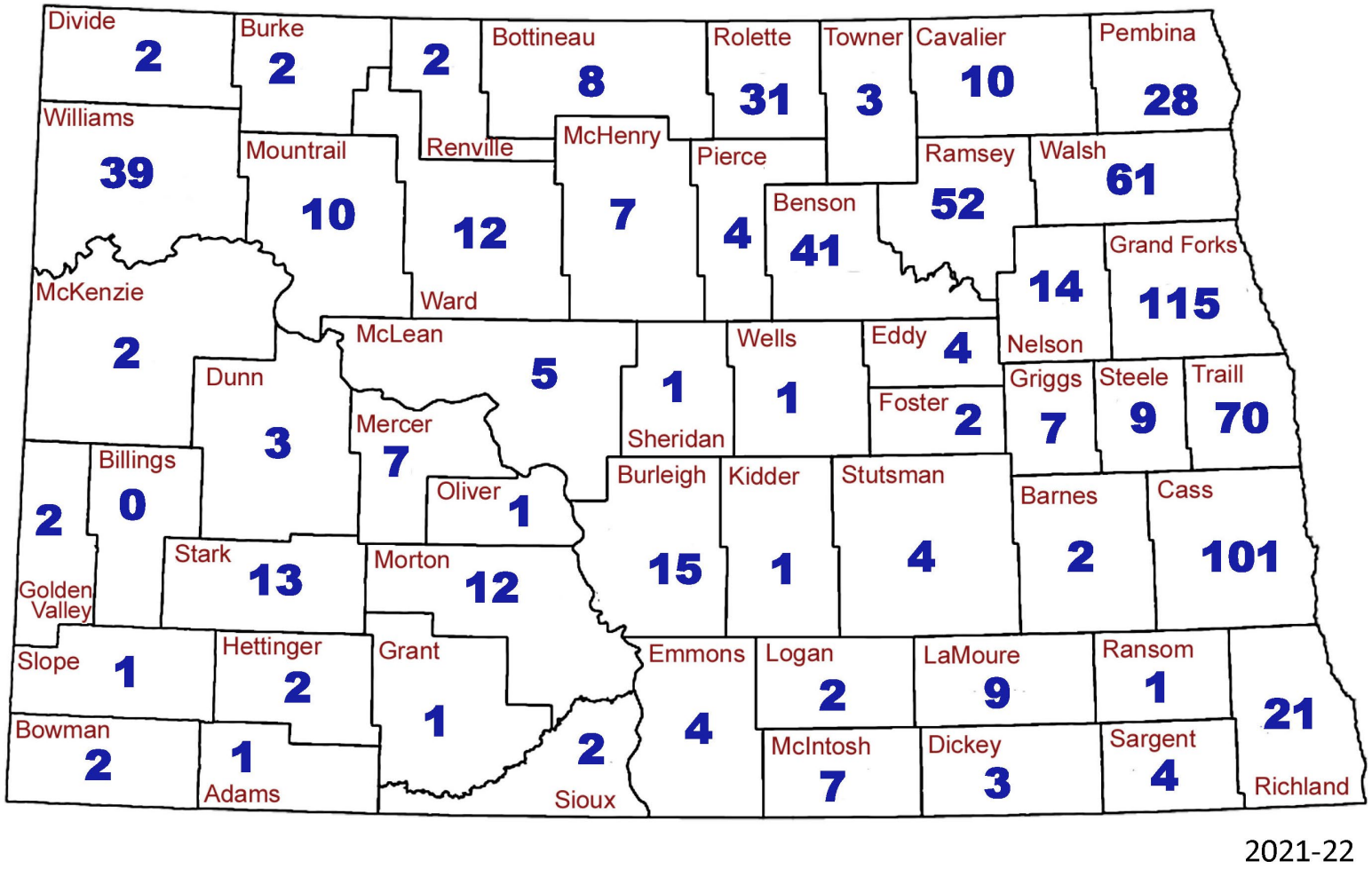

**69%**

of ALL our students are from North Dakota (chart at left)

**79%**

of freshman students are from North Dakota

# MSU Grads Produce Educator Workforce in ND




2021-22

Nearly **800** of our graduates are teachers or administrators in North Dakota (chart at left)

**69%** of ALL Mayville State graduates are employed in North Dakota and/or continuing their education

# What Sets Mayville State Apart?

## Education/Development of the Whole Student at Mayville State

Intellectual development

Personal growth

Volunteerism

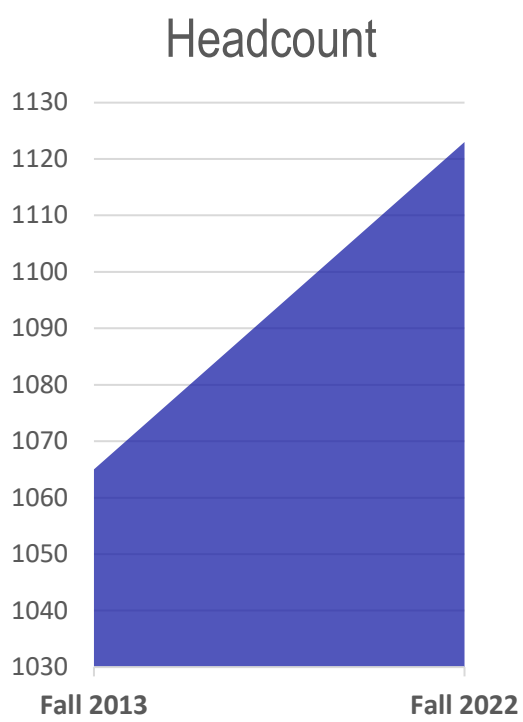
Community

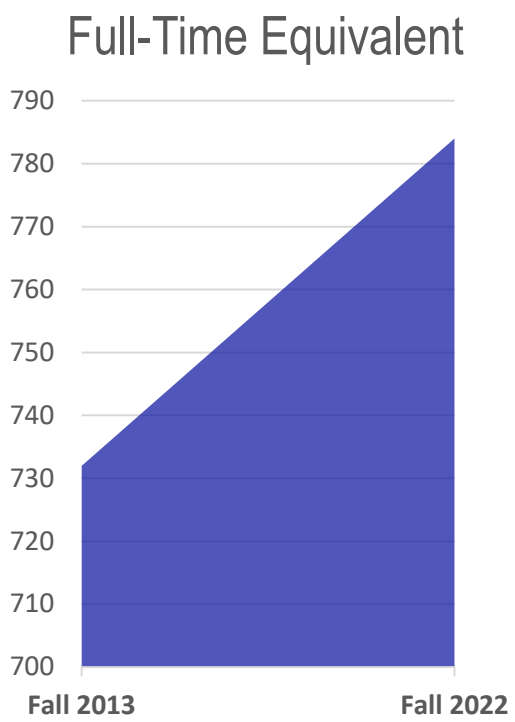
Character development

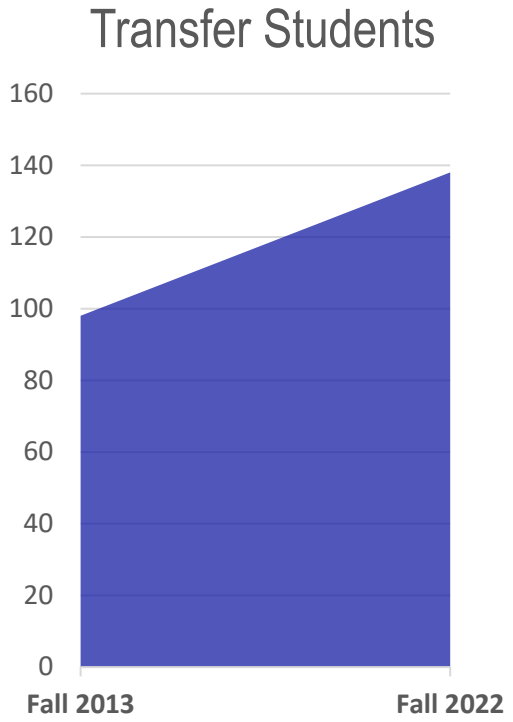
Social, emotional and personal development

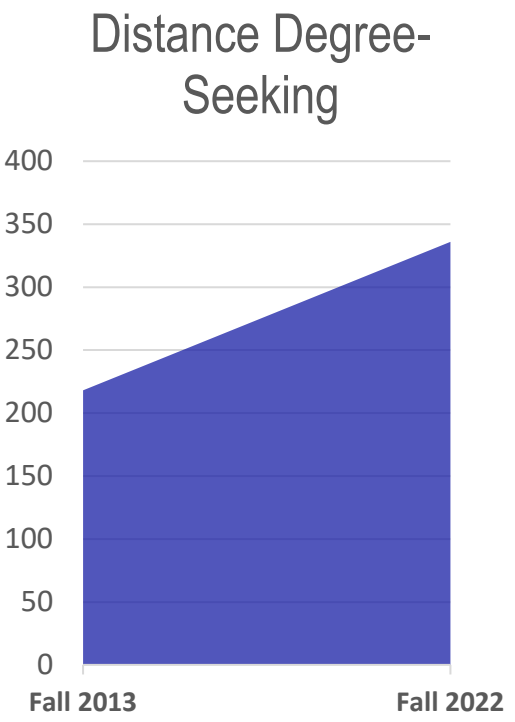
Leadership development

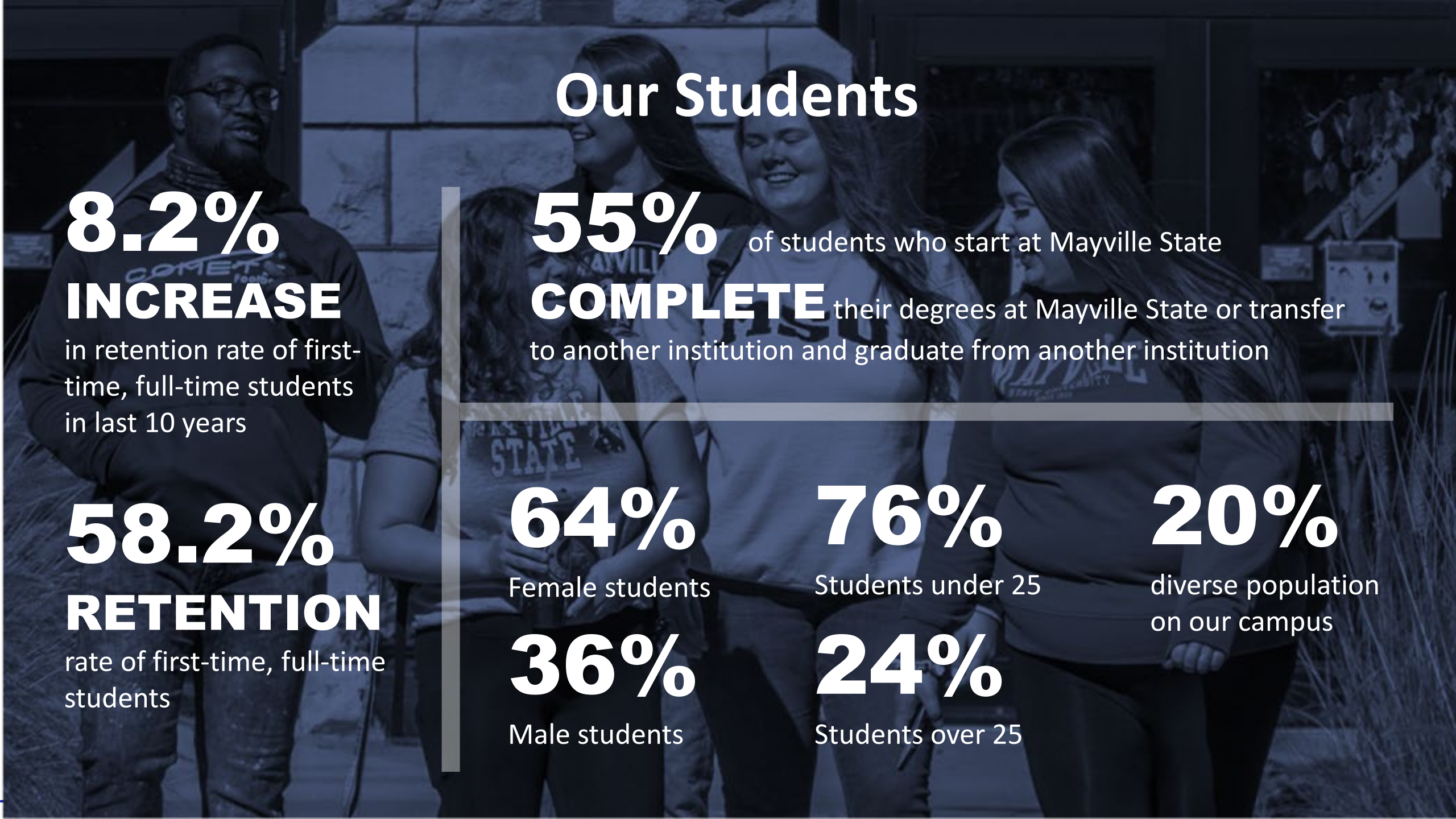
# Enrollment Initiatives Yield Steady Increases





# Our Students

**8.2%**
**INCREASE**
in retention rate of first-time, full-time students in last 10 years

**58.2%**
**RETENTION**
rate of first-time, full-time students

**55%** of students who start at Mayville State **COMPLETE** their degrees at Mayville State or transfer to another institution and graduate from another institution

**64%**
Female students

**36%**
Male students

**76%**
Students under 25

**24%**
Students over 25

**20%**
diverse population on our campus

# Our Student Success

**99%**

Graduates are employed and/or are continuing their education

**93%**

Graduates are employed in field related to their studies

**80%**

Nursing program students are from North Dakota and are working full-time

**69%**

Master’s program graduates employed in North Dakota and/or continuing education

**98%**

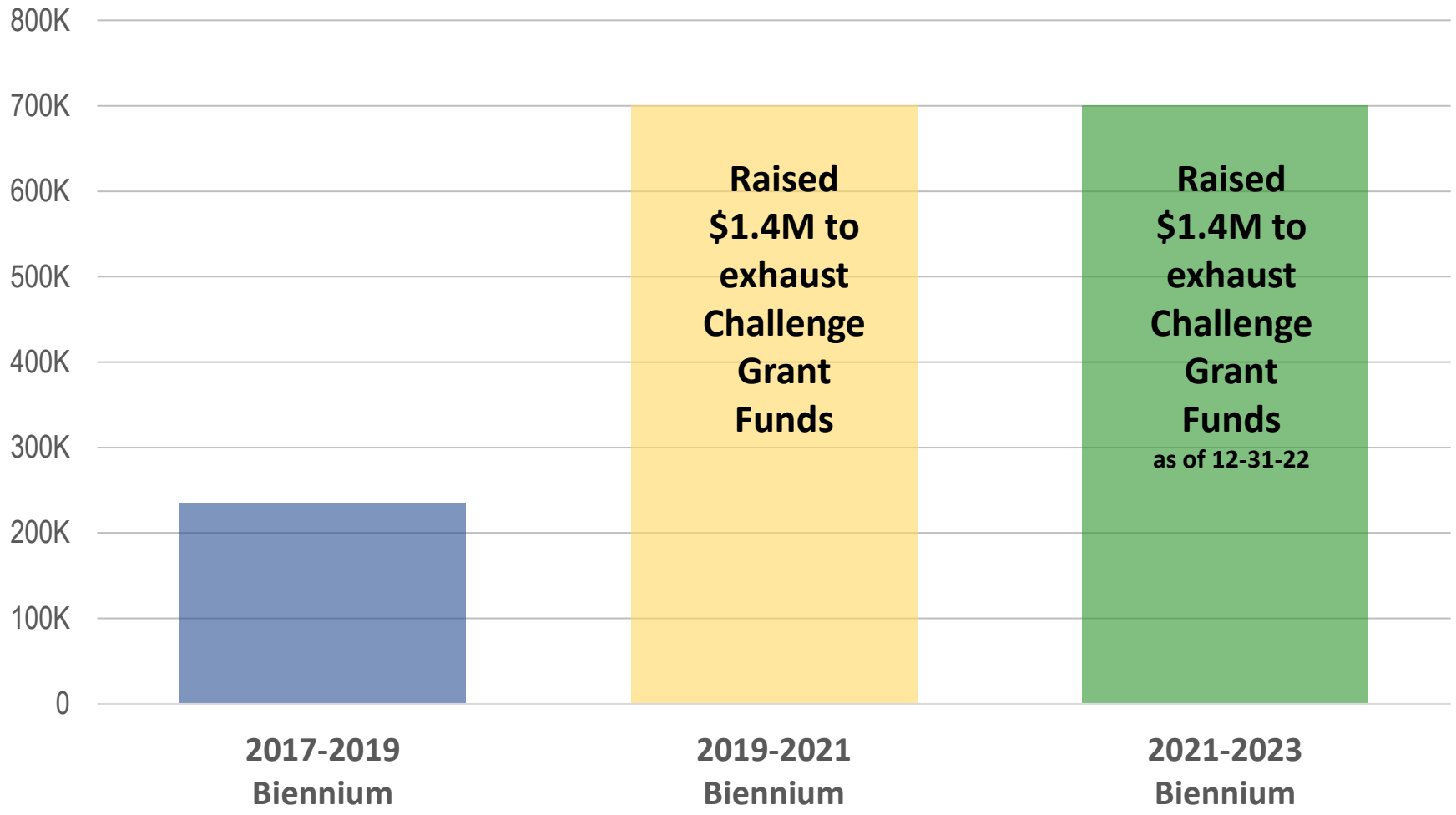
Master’s program graduates employed and/or continuing education

**92%**

Master’s program graduates employed in field related to their studies

# Huge Impact of Challenge Grant Funds for Students

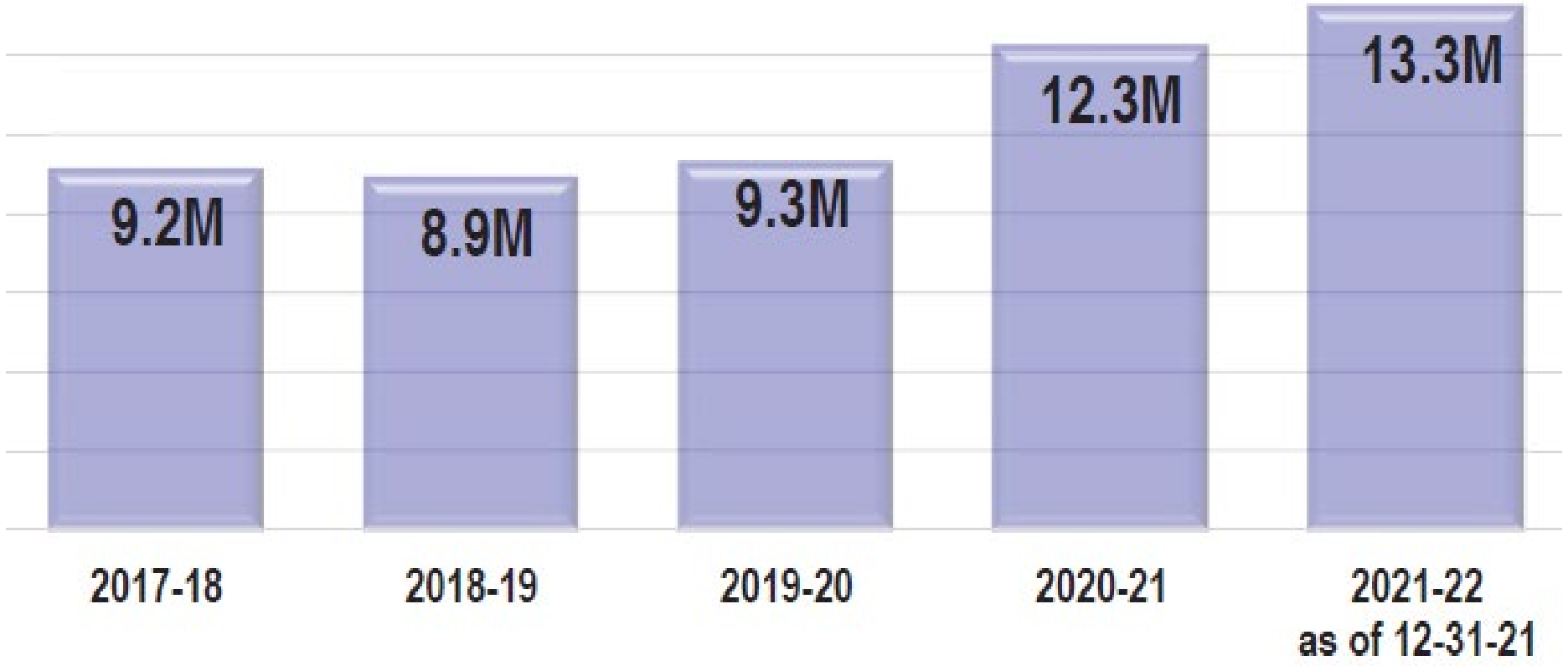
- Nearly $3 million generated for scholarships from inception.
- Over 1/3 of our students receive scholarship funding.
- Donors appreciate opportunity to spread their gift further with matching funds.



# Steady Increase in Foundation Assets

The MSU Foundation manages endowment programs for scholarships and annual giving programs for both scholarships and operations.

The true purpose behind our existence is to provide every opportunity and open every door possible to our students.




All information taken from MSU Foundation Balance Sheet June 30 of each year

# Shared Services, Collaborations, and Partnerships

- Nursing collaboration at Mayville with Dakota Nursing Program; articulation with LRSC, BSC, WSC, DCB, NDSCS for RN-to-BSN program.
- Collaboration with North Dakota Center for Distance Education (NDCDE) for dual credit offering of eleven courses in 2022-23.
- Shared services across NDUS include: payroll and benefit services, research support, NSF EPSCoR research, IRB, and IACUC with NDSU; telephone system, NIH INBRE, and NASA EPSCoR research with UND.
- Support of Dakota Digital Academy.

# Audited process improvements for 2019-21 Biennium

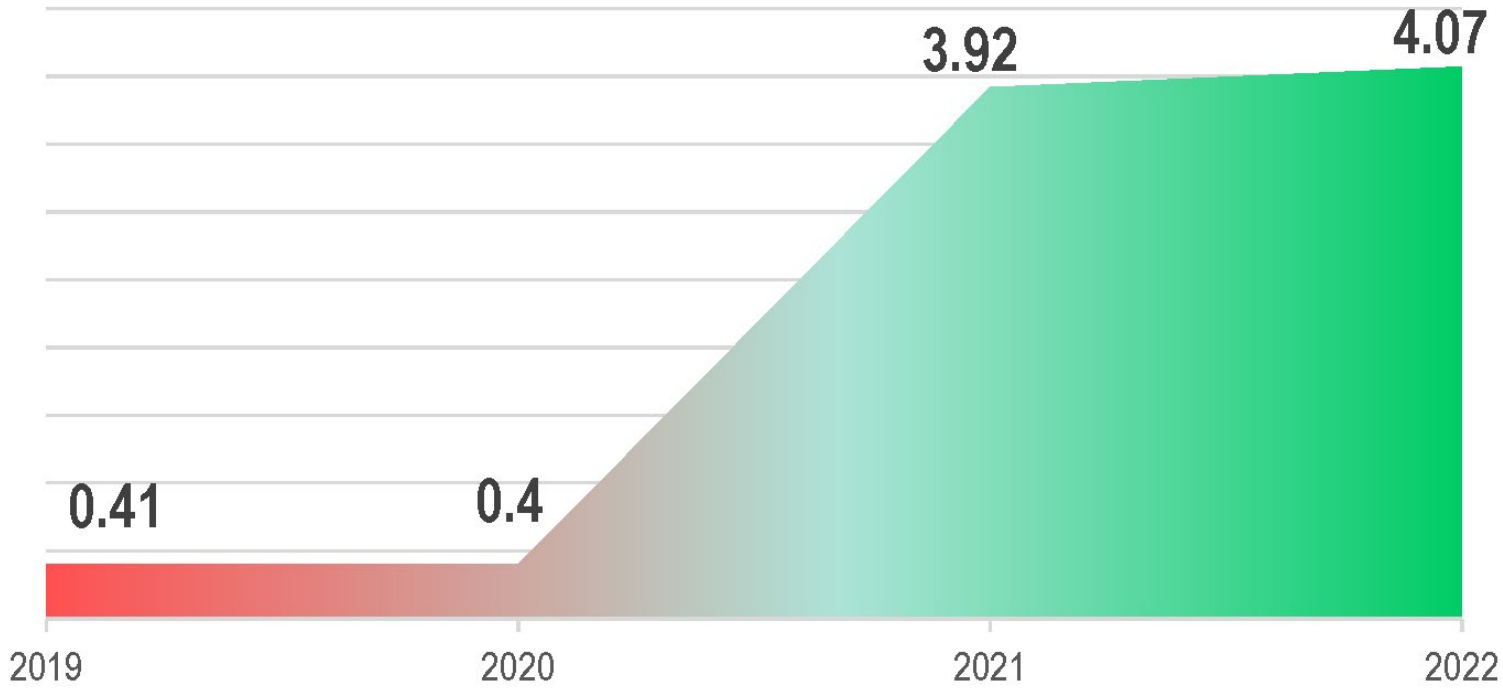
- Controls, training and processes regarding payroll.
  - Bank reconciliations.
    - Controls surrounding system reconciliations.
      - Controls surrounding journal entries Purchasing Card.
        - Waivers awarded improperly.

- All corrections have been made and processes strengthening internal control and verification have been put into place.

## Clean FY22 Financial Statement Audit

# Improved Financial Health

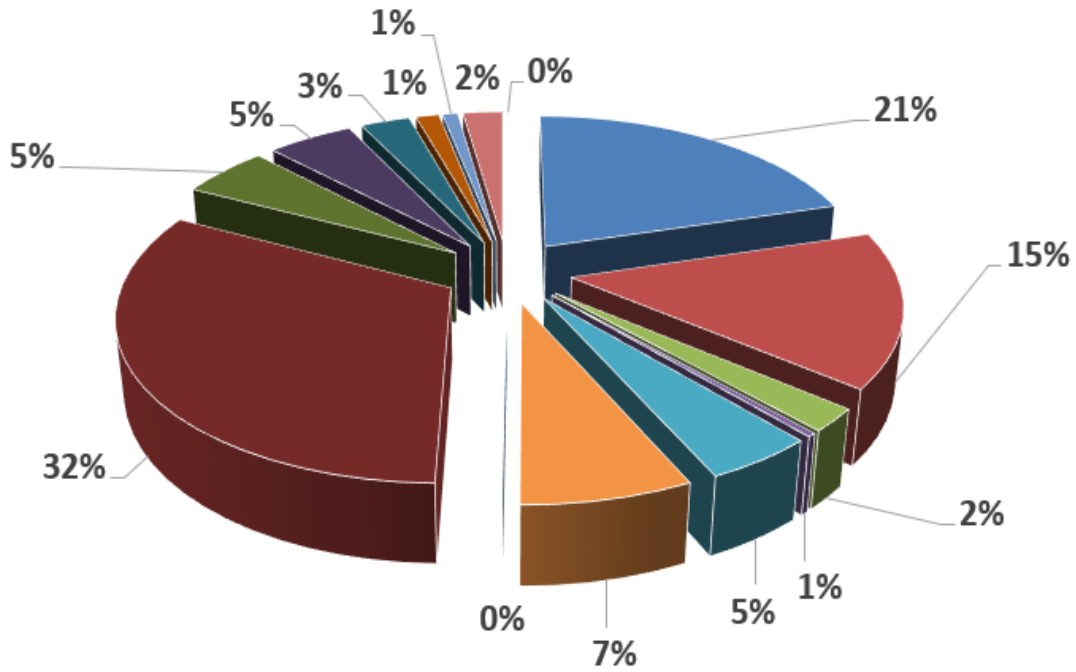
**Raised Composite Financial Index (CFI) score.**



# Revenue and Expenses

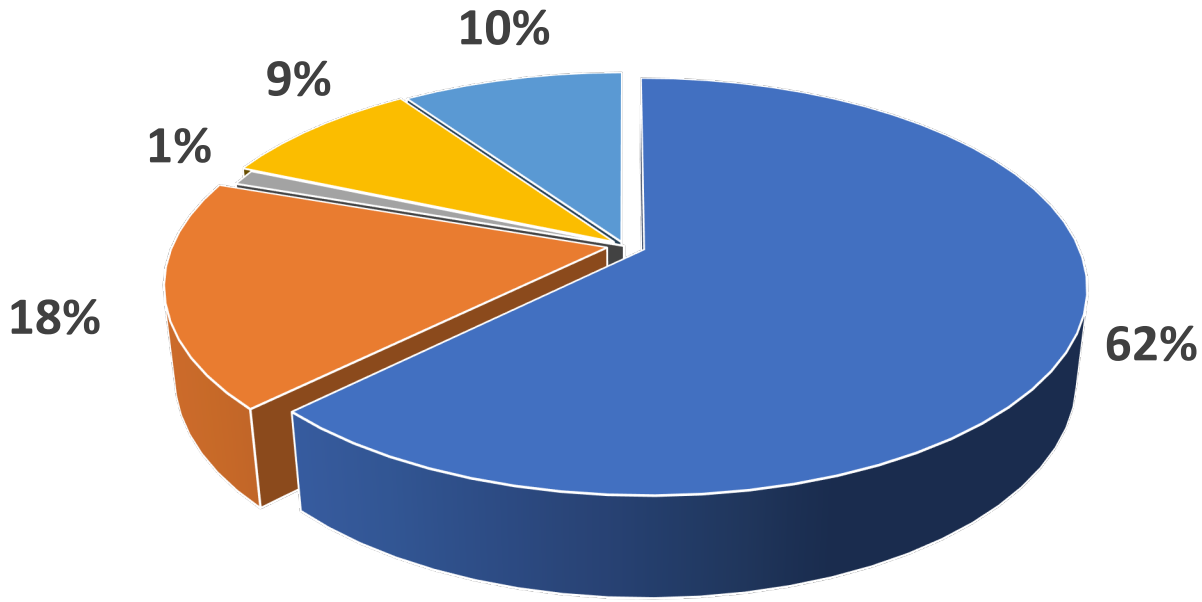
(Audited 2022 Financials)

## 2021-22 Revenue




- Student tuition and fees
- Federal grants and contracts
- State grants and contracts
- Nongovernmental grants and contracts
- Sales and services of educational departments
- Auxiliary enterprises
- Other operating revenue
- State appropriations
- Federal grants and contracts
- Federal grants and contracts stimulus
- Gifts
- Endowment and investment income
- Tax revenues
- State appropriations - capital assets

## 2021-22 Operating Expenses

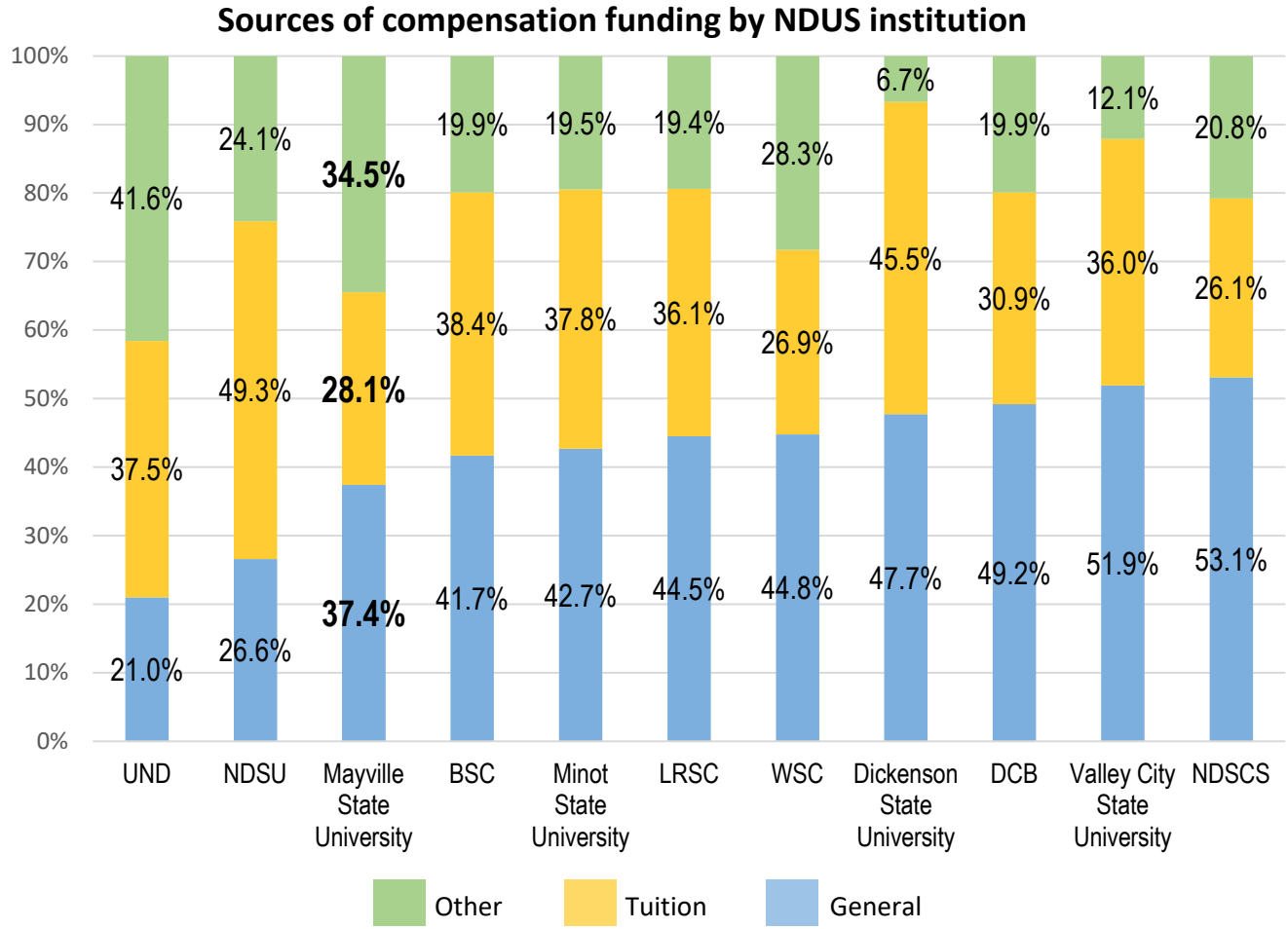



- Salaries and wages
- Operating Expenses
- Data processing
- Depreciation expense
- Scholarships and fellowships

# Funding Sources for Mayville State

**Compensation Funding by Institution and Source**

| Institution | General | Tuition | Other* |
|---|---|---|---|
| Dickinson State University | 47.7% | 45.5% | 6.7% |
| Mayville State University | **37.4%** | 28.1% | **34.5%** |
| Minot State University | 42.7% | 37.8% | 19.5% |
| Valley City State University | 51.9% | 36.0% | 12.1% |
| BSC | 41.7% | 38.4% | 19.9% |
| LRSC | 44.5% | 36.1% | 19.4% |
| DCB | 49.2% | 30.9% | 19.9% |
| NDSCS | 53.1% | 26.1% | 20.8% |
| NDSU | 26.6% | 49.3% | 24.1% |
| WSC | 44.8% | 26.9% | 28.3% |
| UND | 21.0% | 37.5% | 41.6% |




- "Other" funds include Dining, Housing, Bookstore, and Childcare*
- Mayville State receives the LOWEST percent of General appropriations of ALL the regional and community colleges at 37.4% - second in fact only to the large research institutions.
- Mayville State relies on ONLY **28%** of its revenue from tuition – the lowest of the regional universities.
- Mayville State raises the HIGHEST percent of "Other" funding of all regional and system schools second only to one large research institution at **34.5%**

# Compensation Equity

On average, a full-time benefitted Mayville employee makes **73%** of their counterpart at other NDUS institutions.

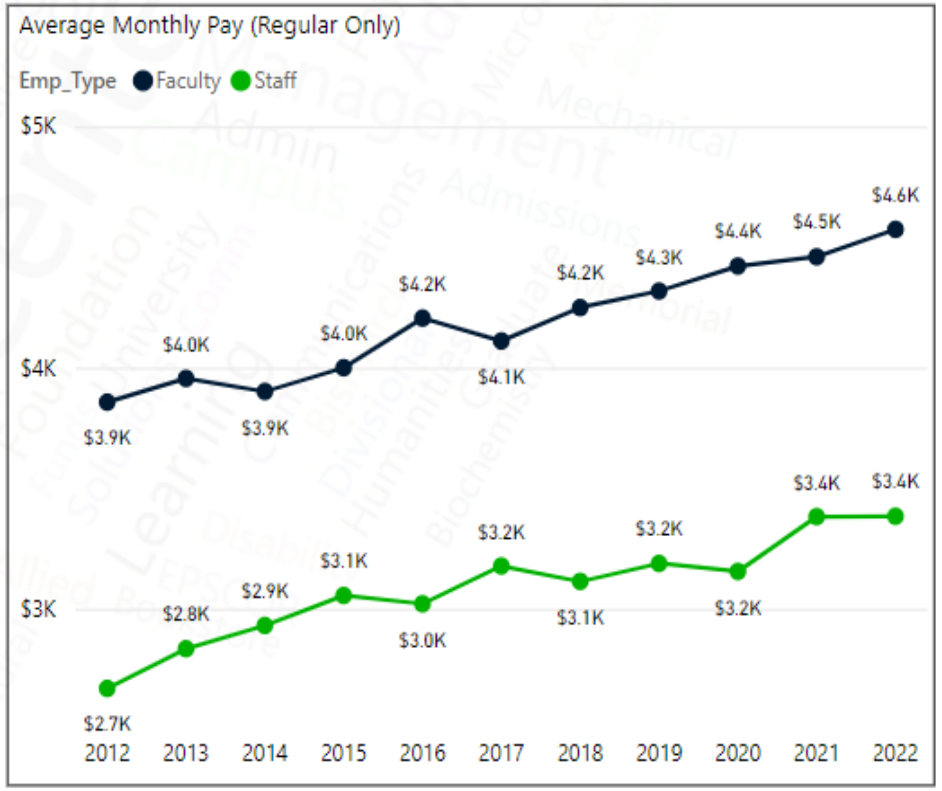
The **27%** median pay gap widens when compared to other North Dakota and neighboring competitive institutions.

This growing competitive disadvantage significantly hampers Mayville's ability to attract and retain workforce talent.

## Mayville State University

**Human Resource Measures 2011-2022**

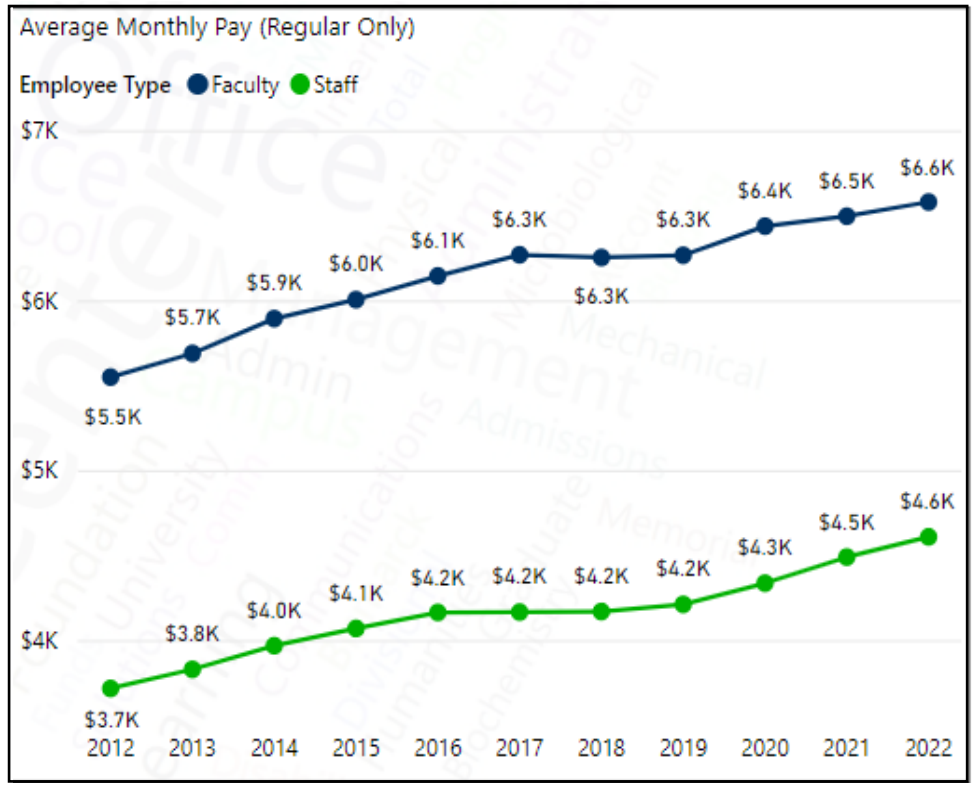
| $40,486 | 282 | 221.47 |
|---|---|---|
| Median Annual Income | 2022 Headcount | 2022 FTE |



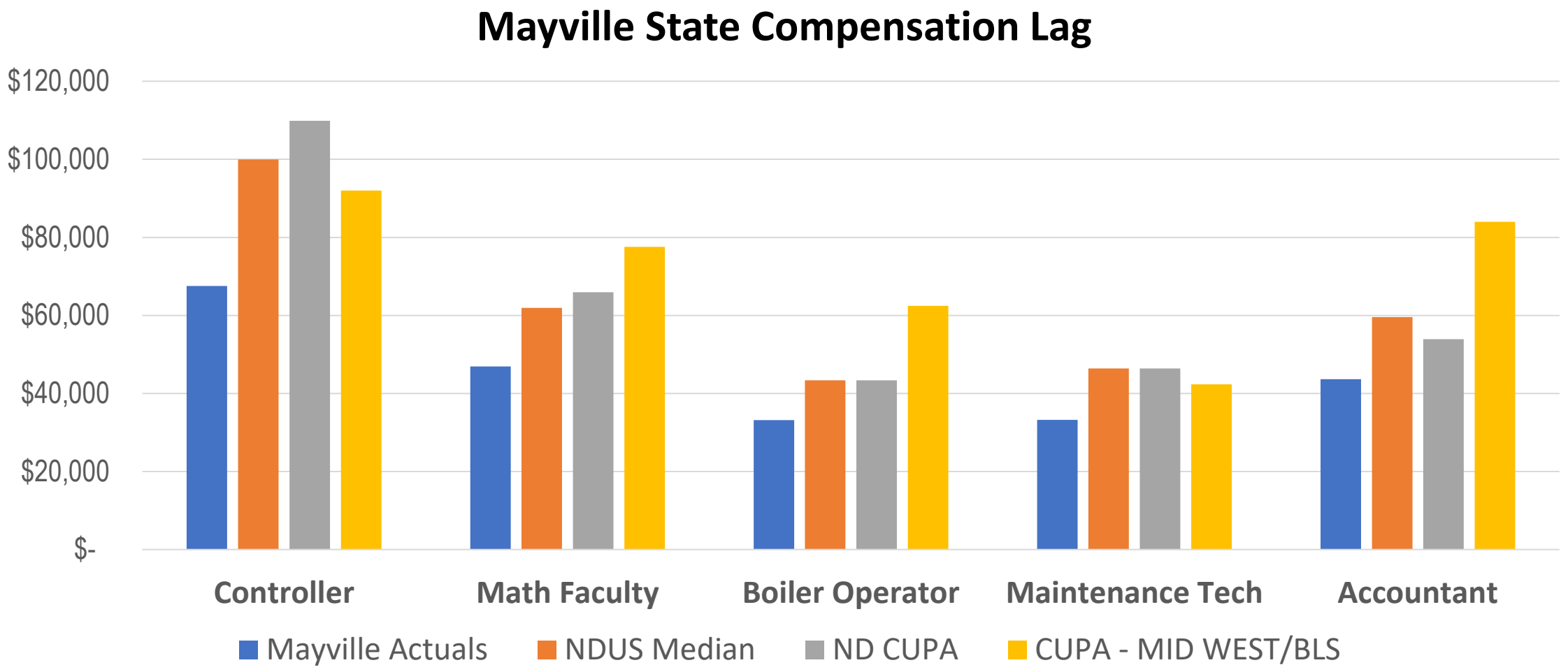

## North Dakota University System

**Human Resource Measures 2011-2022**

| $55,160 | 12,499 | 8,611.10 |
|---|---|---|
| 2022 Median Annual Pay | 2022 Headcount | 2022 FTE |

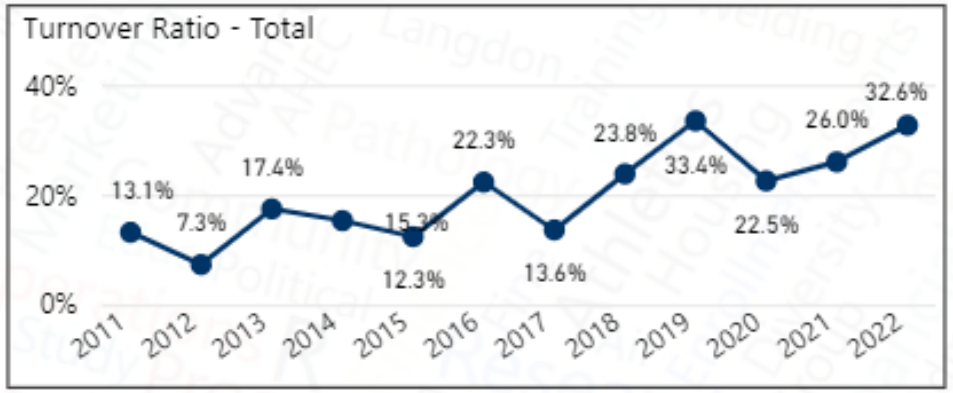


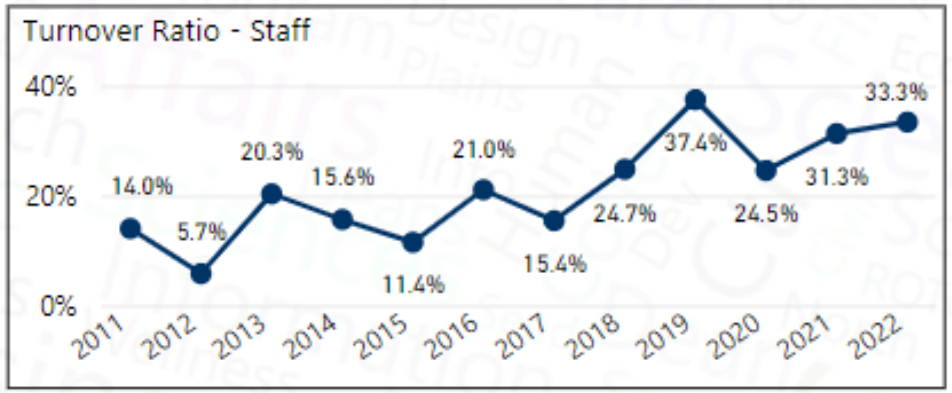
# Retention and Attraction Challenges

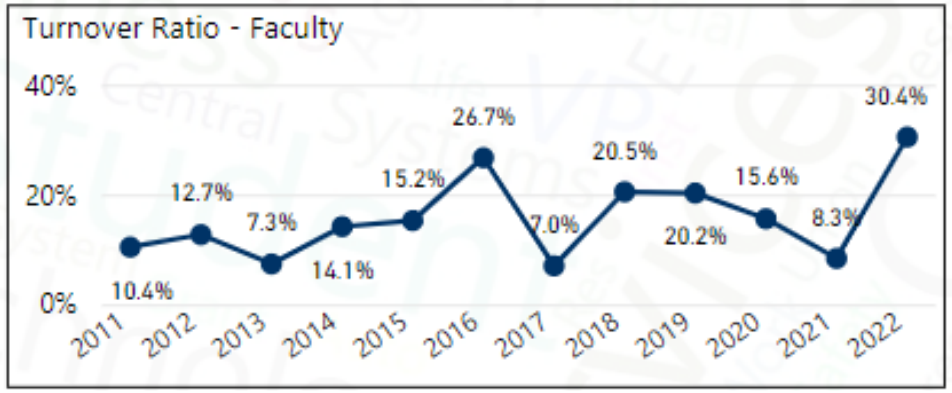


# Resulting Retention Impacts

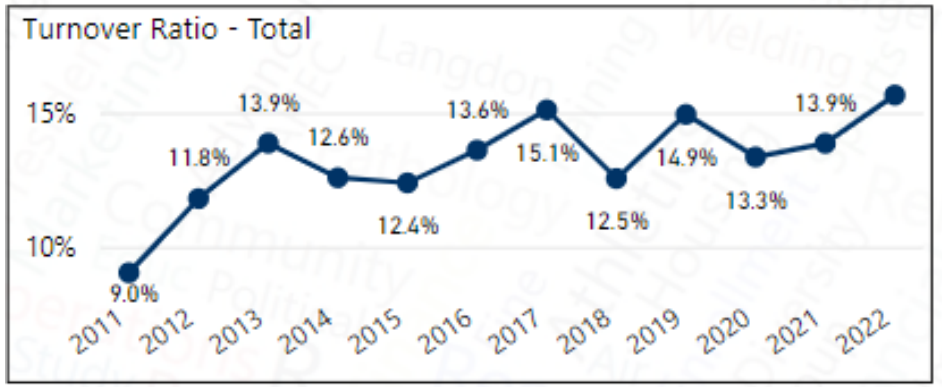
Mayville State University

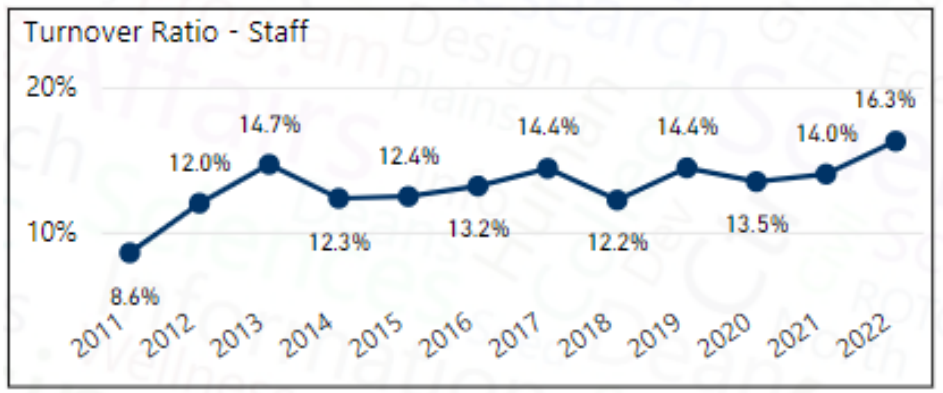


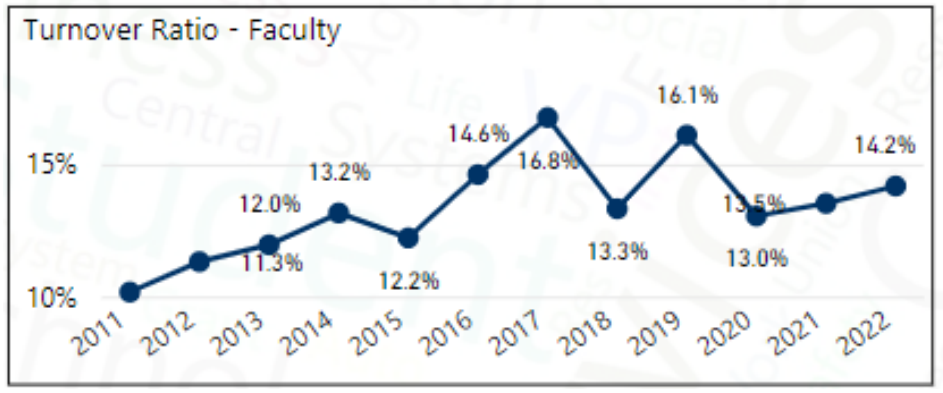




NDUS



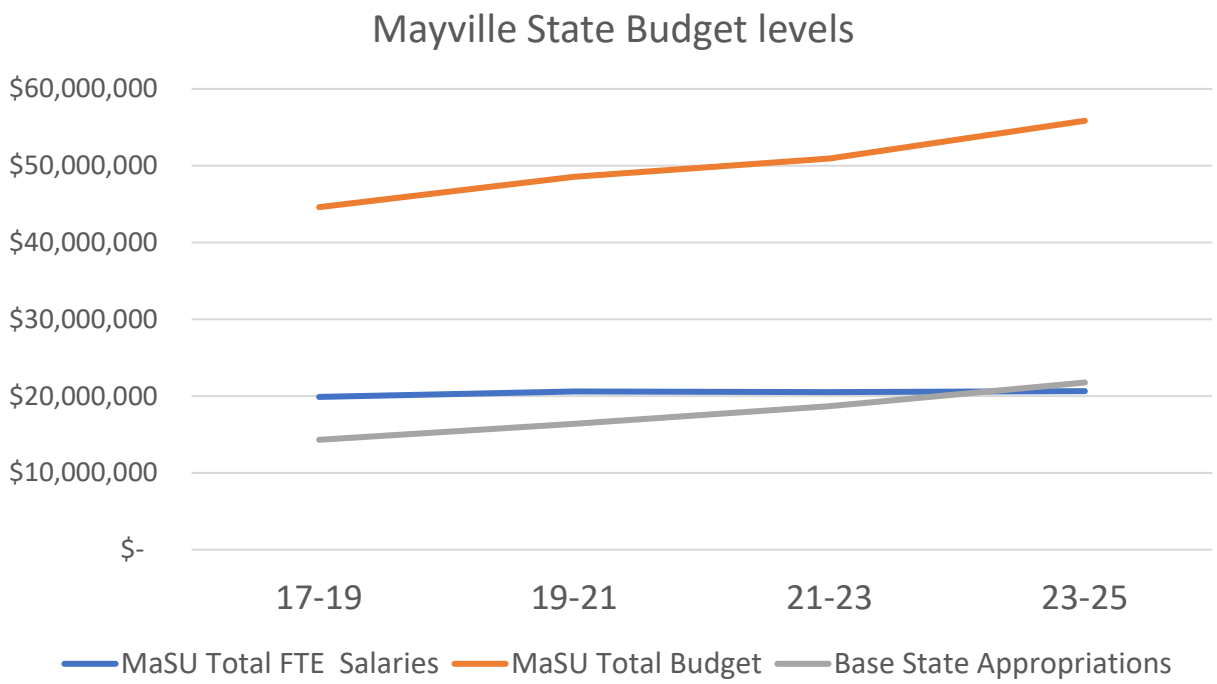




The pay equity gap results in a turnover rate that is more than double the NDUS median for STAFF and FACULTY.

Closing this gap is second in priority only to renovating Old Main at Mayville.

# Compensation analysis

- Since 2016, the cost of living has increased **26%***, while total compensation for full time faculty and staff positions has only changed **4%**.
    - In 2016, MaSU employees voted to forego increases in order to avoid layoffs.
    - In 2020, vacancies went un-filled and positions were reduced as a reduction effort.




- This has created a market gap of **$4M** over time at Mayville State.
- MaSU is requesting a permanent base adjustment of **$1,742,000** bringing Mayville closer to the median within the NDUS and begin to close the workforce pay differential.

*CPI (Consumer Price Index) to the BLS (Bureaus of Labor Statistics) https://www.bls.gov/data/inflation_calculator.htm

# Additional Requests to Senate Appropriations

**Itemized listing of change requests to Senate Appropriations Budget**

| | 2021-23 Base Level | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | HB 1003 House Appropriation | Senate additional requests | Total Appropriations requested |
|---|---|---|---|---|---|---|
| Campus Operations | $ 50,603,276 | $ 51,811,856 | $ 54,664,638 | $ 55,489,154 | $ - | $ 55,489,154 |
| "Other" 6/4 pay increases: funded by Room, Board, Bookstore, Childcare, Grants and contracts | | | | | $ 656,633 | $ 656,633 |
| "Other" 6/4 health increases: funded by Room, Board, Bookstore, Childcare, Grants and contracts | | | | | $ 414,597 | $ 414,597 |
| Compensation gap funding | | | | | $ 1,742,000 | $ 1,742,000 |
| Executive Budget Equity | | | | | $ 910,213 | $ 910,213 |
| Operational 7.5% inflation offset | | | | | $ 1,588,735 | $ 1,588,735 |
| Capital Assets | $ 358,992 | $ 50,329,092 | $ 4,138,092 | $ 50,329,092 | $ - | $ 50,329,092 |
| **Total Appropriation** | **$ 50,962,268** | **$ 102,140,948** | **$ 58,802,730** | **$ 105,818,246** | **$ 5,312,178** | **$ 111,130,424** |
| General Fund | $ 18,679,828 | $ 69,733,399 | $ 20,691,490 | $ 21,802,602 | $ 5,312,178 | $ 27,114,780 |
| Special Funds | $ 32,282,440 | $ 32,407,549 | $ 38,111,240 | $ 84,015,644 | $ - | $ 84,015,644 |
| **Total Funding Sources** | **$ 50,962,268** | **$ 102,140,948** | **$ 58,802,730** | **$ 105,818,246** | **$ 5,312,178** | **$ 111,130,424** |

# Current Impact of Real Cost Increases

| | 2022 | 2023 | Price increase |
|---|---|---|---|
| Cost per egg | $ .10 | $ .25 | 150% |
| Tater tots case | $ 29.00 | $ 59.00 | 106% |
| Crinkle cut fries | $ 42.00 | $ 68.00 | 62% |
| Contractor - HVAC | $ 65.00 | $ 90.00 | 38% |
| Utilities | $ 556,443 | $ 667,252 | 20% |

# Legislative Bill Draft Impacts

**Positive Legislative impacts**

- **Included in HB 1003** - Challenge Grant funding – Continue funding the highly impactful Challenge Grant.
- **Included in HB 1003:** Increased funding for Tiers/Capital and Change Tier Funding for Tiers I and III from 2:1 **and 1:1** – Mayville has been unable to utilize all of Tier I and none of Tier II and III for years. Changing this matching formula will make this funding "more affordable" for our campus. This, in conjunction with the change in matching, will make a significant impact on our campus for deferred maintenance and capital projects.

**Unfunded Legislative draft impact**

- **HB 1040:** Interim Retirement Committee NDPERS sunsetting the defined benefit plan – the unfunded liability that this will assess on our campus results in a $729,209 burden on our campus.

*To put this in perspective, we struggle to cash match the Tier I funding that is a similar amount. We ask that the state consider funding the liability in whole at this time to relieve a measurable ongoing burden to the campuses.

# Economic Impact to State and Local Community

DATA FROM FY21 NDUS ECONOMIC CONTRIBUTION REPORT RELEASED 2022

**$62.4M**

Total economic Contribution

**$24.7M**

Direct economic contribution from MSU operations

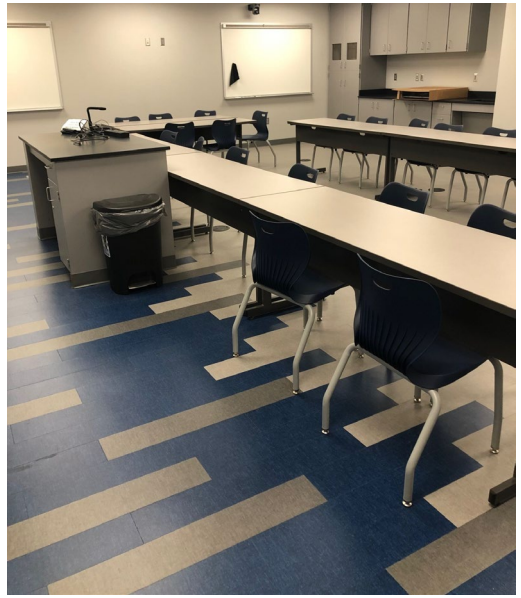
**$20.7M**

Total direct and secondary impact of student spending in Mayville area

Mayville State students work part-time in the surrounding communities. For example: Crystal Sugar, SRS Commodities, Kelley Bean, Casey's General Store, Cenex Convenience Stores, local eateries, local farms. Many stay in the area after graduation.

# Reduced $1.4M of deferred maintenance and repurposed space

- 2021 A boiler replacement project in the Campus Center. 60+-year-old electric boilers were replaced to improve ventilation and controls within the building. The project also included repair/replacement of air handling units ($660,000).
- 2021 Replacement of Library and Campus Center roofing ($94,000).
- 2022 Addition of natural gas heating plant ($1,600,000).
- 2022 New home for Campus Health. The Classroom Building lounge and auditorium storage space has been renovated to provide a new, more appropriate space to serve students ($150,000).
- 2022 New science classroom and lab space. Outdated IVN classrooms and library bookshelf space has been repurposed to provide an additional classroom and adjacent research lab ($290,000).
- 2023 Security card access and doors have been updated in several campus locations ($150,000).
- 2023 Pool filter replacement ($50,000).



ABOVE: Unused space renovated to provide centrally-located Campus Health office.

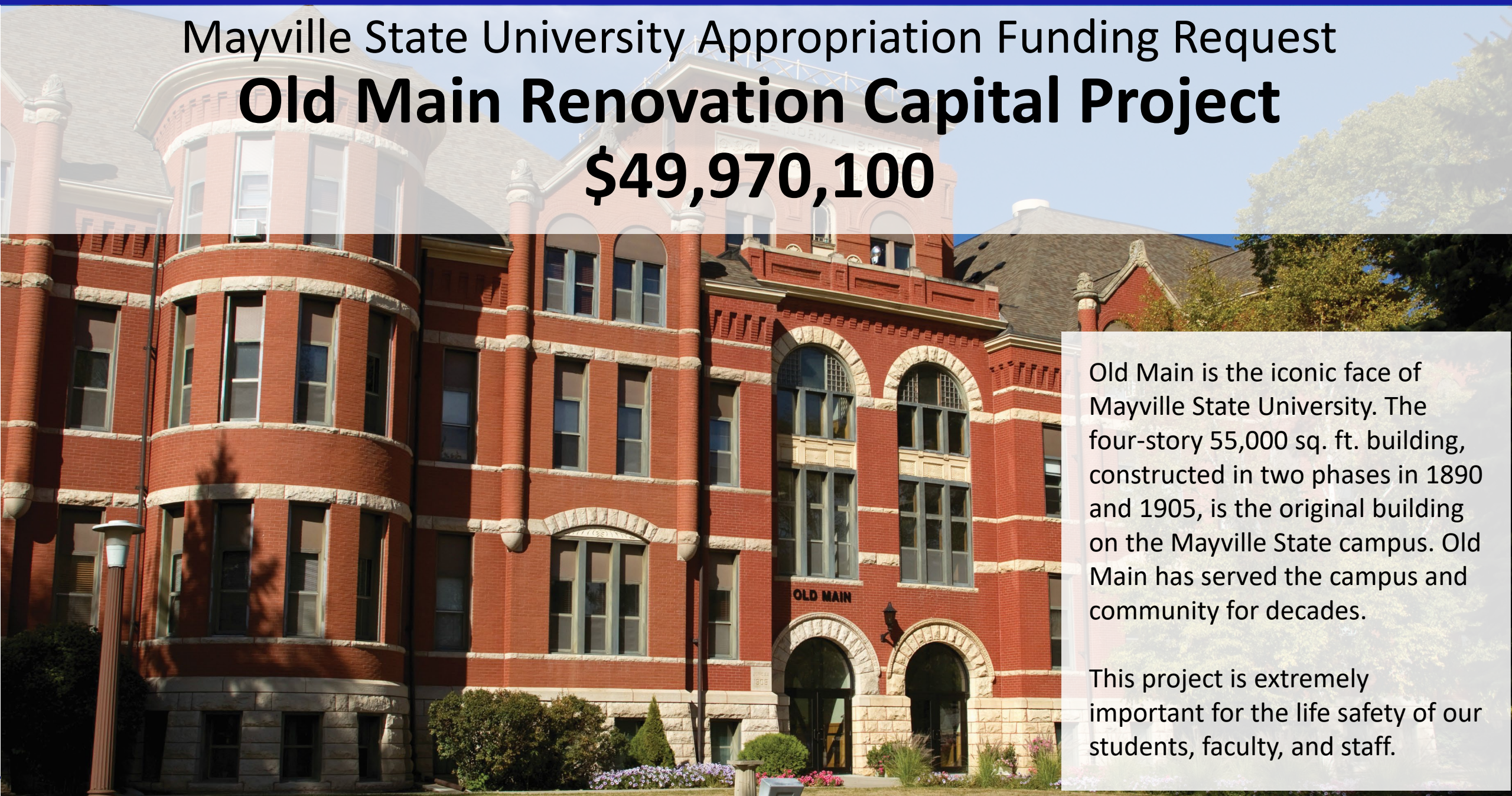
LEFT: Outdated areas repurposed for new science lab and classroom purposes.

# #1 Priority of North Dakota University System

Mayville State University Appropriation Funding Request

# Old Main Renovation Capital Project

# $49,970,100




Old Main is the iconic face of Mayville State University. The four-story 55,000 sq. ft. building, constructed in two phases in 1890 and 1905, is the original building on the Mayville State campus. Old Main has served the campus and community for decades.

This project is extremely important for the life safety of our students, faculty, and staff.

# Instructional and Academic Needs

## Old Main is 83% Instructional and Academic Space – 4 Floors

OLD MAIN RENOVATION CAPITAL PROJECT FUNDING REQUEST

# Beginning Timeline and Budget Details

## Timeline:

Project design/construction will take approximately 36 months, with construction completion estimated for June 2026.

## Budget:

| | |
|---|---|
| Planning, Design, Testing | $ 3,779,100 |
| Construction, Building Renovation | 37,315,000 |
| Hazardous Material Abatement | 1,000,000 |
| Furniture, Fixtures, Equipment | 5,876,000 |
| Other (Temporary Facilities/Relocation Costs) | 2,000,000 |
| **Total Budget** | **$ 49,970,100** |

# Life Safety Benefits

- Address life safety concerns including replacing fire alarms, adding emergency notification system, and new or enhanced automatic fire suppression system.
- Reconfigure interior stairway access to address fire safety concerns.
- Repair foundation deterioration and cracking.
- Gut and replace obsolete electrical power and lighting systems.
- Address ADA compliance with accessible restrooms, elevator to all levels, staircase for egress from theatre, and housing for new mechanical systems and equipment.
- Address renovation of theatre.

Challenges with accessibility.

Life safety issues with side-by-side open stairwells.

# Old Main Renovation Capital Project Funding Request

# Deferred Maintenance

- Address the most significant deferred maintenance on campus.
- Gut and replace inadequate HVAC system.
- Replace antiquated plumbing system.
- Update and seal the building exterior.
- Reorganize administrative/instructional areas to meet current/future needs.
- Provide new technology, data, and communication systems, and infrastructure.
- Engineering firm conducted an initial assessment and determined that the foundation is viable.

Building a new structure is estimated to increase project cost by $150 per sq. ft.

Foundation deterioration and cracking.

Our facilities crew trapped 12 live bats in classroom space over a 2-week period during the fall semester.

# Old Main Renovation Capital Project Funding Request

# Water Damage on January 5, 2023

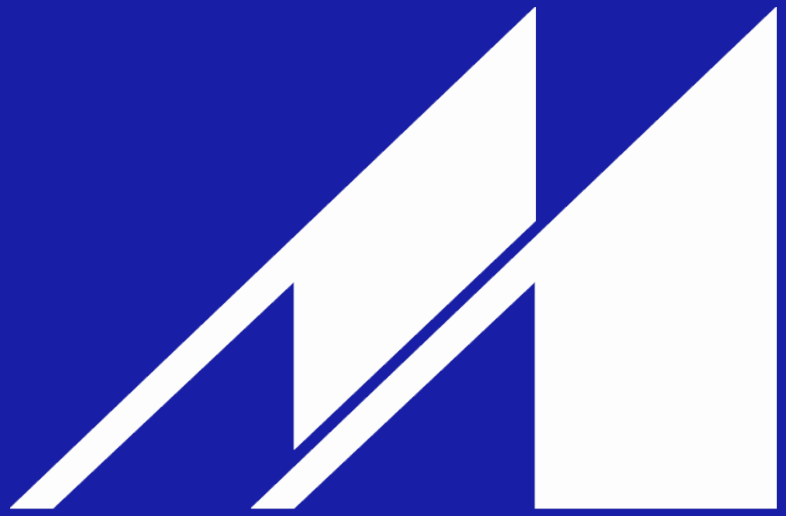
Damage January 5, 2023 in a classroom that houses the Dakota Nursing Program on the third floor of Old Main.

# Summary

1. Support of the Old Main Renovation capital project $49,970,100.

2. Support of employee compensation equity and retention to include all full-time employees.

3. Address current dollar value impact with record inflation and cost increases in the budget request.



# Mayville State University

*the school of personal service*

MayvilleState.edu

VALLEY CITY
STATE UNIVERSITY

# SENATE APPROPRIATIONS COMMITTEE

## EDUCATION AND ENVIRONMENT DIVISION

WEDNESDAY, MARCH 8, 2023
DR. ALAN LAFAVE, PRESIDENT

**Testimony to the Senate Appropriations Committee: Education and Environment Division**

**March 8, 2023**

Chair Sorvaag and members of the committee; for the record, I am Dr. Alan LaFave, and I'm proud to be President of Valley City State University.

Thank you for the opportunity to present today.

# Mission

Valley City State University is a public, regional university offering exceptional programs in an active, learner-centered community that promotes meaningful scholarship, ethical service, and the skilled use of technology.

As an important knowledge resource, the university offers programs and outreach that enrich the quality of life in North Dakota and beyond.

Through flexible, accessible, and innovative baccalaureate and master's programs, VCSU prepares students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

VALLEY CITY
STATE UNIVERSITY

**The Mission of Valley City State University**

Our mission is three-pronged.

Valley City State University is a public, regional university offering exceptional programs in an active, learner-centered community that promotes meaningful scholarship, ethical service, and the skilled use of technology.

As an important knowledge resource, the university offers programs and outreach that enrich the quality of life in North Dakota and beyond.

Through flexible, accessible, and innovative baccalaureate and master's programs, VCSU prepares students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

Our entire team takes this mission very seriously. Our team includes 196 full-time faculty and staff. We have an average of 10.4 years of service across the campus.

I am incredibly proud of the team we have at VCSU. They are dedicated and student focused. You can see the fruits of their labor in our numerous accolades and student satisfaction survey data.

# 133 years of quality educational experiences

- 65 Undergraduate programs and three Graduate degrees
- 11:1 student-to-faculty ratio
- Ranked "Best Colleges" for 25 consecutive years by U.S. News
- "Most Beautiful Campus in North Dakota" by Buzzfeed
- National Register of Historic Places
- Capital campaign underway

## The Work of Valley City State University

VCSU was founded in 1890 as a normal school. We have been known as one of the best teacher preparation schools in the country for more than 100 years.

In addition to our teacher education programs, VCSU has a wide-variety of other programs. From Business to History, Computer Science, Software Engineering, Health Science, Arts, Communications, Strength and Conditioning, Spanish and Music, we have 65 programs for students to choose from.

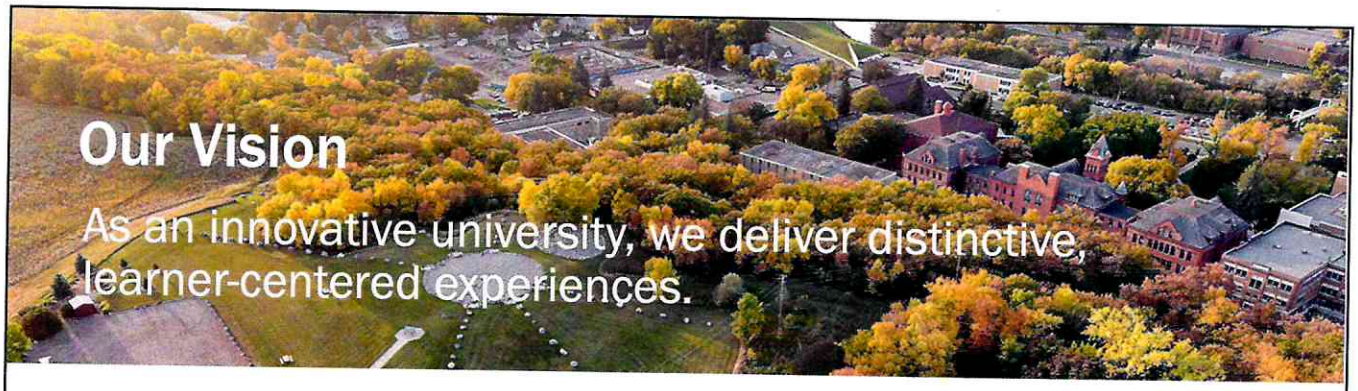
VCSU also offers multiple graduate degree options for teaching, and a Master of Science degree in Business Information Systems.

VCSU enhances the learning experience for our students by providing every full-time, on-campus students with their own laptop, and classrooms equipped with the latest educational tools.

Our faculty to student ratio is 11 to 1, offering a very personalized learning experience to help students succeed. Graduates and current students point to this as a highlight of their experience; the close and meaningful relationships they create with faculty and staff.

Our 55-acre campus was listed in 2017 by BuzzFeed as the "most beautiful college campus in North Dakota. To our south is a forested hillside and on the north, the beautiful Sheyenne River. The campus is listed on the National Register of Historic Places as a Historic District.

Finally, in 2020 we officially launched the Forward Together Capital Campaign. It is the first-ever capital campaign for VCSU and the effort is working on raising $25 million.




## What Drives Us?

- Student-centered environment
- High-quality, career-ready experience
- Dedicated faculty and staff
- Supportive alumni and community
- Innovative attitude
- The need for continued investment in our people and historic infrastructure

VALLEY CITY STATE UNIVERSITY

### Our Driving Forces – We All Row

VCSU has a very clear vision.

As an innovative university, we deliver distinctive, learner-centered experiences.

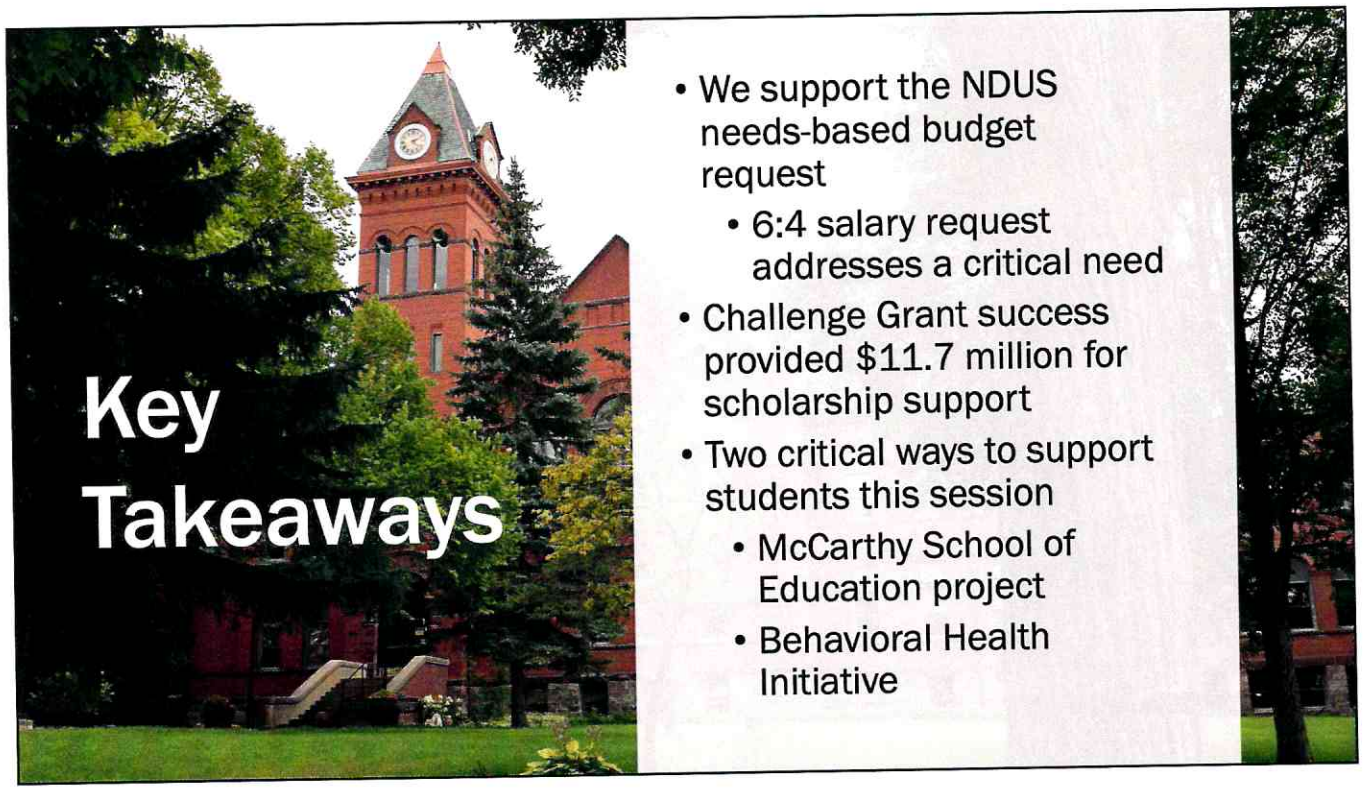
We strive to make our campus, and all learning environments, focused on student success.

We focus on ensuring every educational experience is of the highest-quality and helps graduates become career ready. This is only possible through the dedication of our high-quality staff and faculty. Faculty and staff help students make multiple connections with the real world and future employers.

Our success is also a result of a very supportive alumni base. We are incredibly lucky to have so many engaged and committed alumni who support current students through scholarships, internship locations and being brand ambassadors for the university.

We have always been an innovative campus. From our early days of incorporating a lab school for teacher preparation to being the first in North Dakota to have laptop computers for every student, we strive to stay on the cutting edge.

In fact, we were second in the nation in providing laptops for our students.




**Key Takeaways**

I would like to thank you for your past and ongoing support of our institution. We appreciate the care and effort you put into helping our state run efficiently.

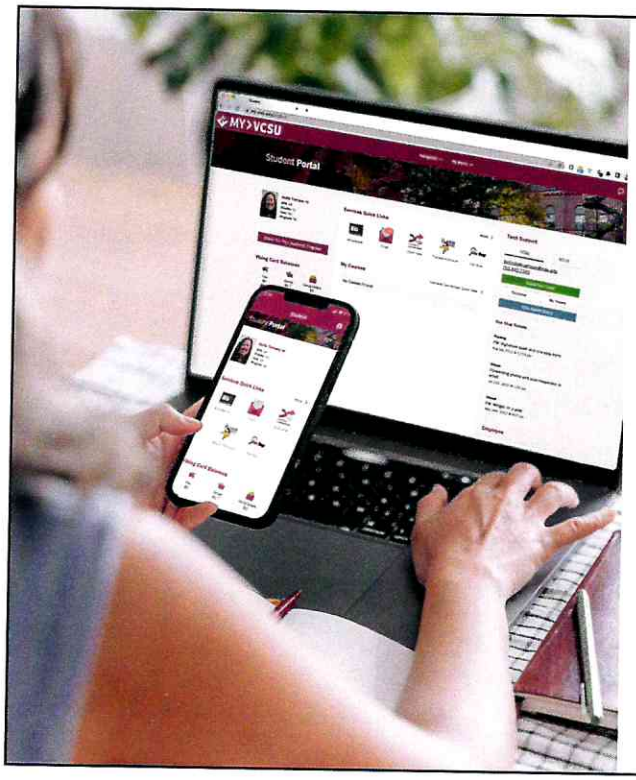
Today we are going to focus on a few key components. I'll provide an overview of our university and some of the most important data points.

I'd like to start with some of the most important take away pieces.

First, VCSU firmly supports the NDUS needs-based budget request. We have been working hand-in-hand with the system office to ensure the most critical items facing our campus are addressed. We are in support of the 6 and 4 salary request, recommended by the executive budget, to ensure we can retain high-quality faculty and staff on our campus.

In addition to investing in our team, we support the investment in scholarship support for our students. There is a clear link between scholarship support and enrollment. Your continued support for the Challenge Grant, and the substantial support from our donors, has made this one of the most important programs on our campus. Since the inception of the Challenge Grant, VCSU has raised $8 million which qualified for a match from this body of $3.75 million. In total, there has been $11.7 million raised and matched scholarships through the Challenge Grant. I have a year-by-year breakdown of this program in your packet today.

Finally, VCSU has two specific priorities I will mention. We are working to provide a high-quality environment for our School of Education and hope to renovate an existing historic building, McCarthy Hall, to this end. Secondly, the wellbeing of our student population is a top priority. VCSU supports the NDUS Behavioral Health initiative to improve access to counseling services and other mental health support.




# Recent Achievements

- Successful HLC reaccreditation with no areas of concern
- $600,000 Department of Public Instruction Teacher Shortage grant
- New Master of Science in Business Information Systems
- Viking Mobile ID allows student ID on phone (1st in NDUS)
- myVCSU App (1st in ND)
- New strategic plan developed and launched
- Opened the Center for the Arts on time and within budget

## Recent Achievements

We have had multiple exciting things happen during the past months at VCSU. I will touch on just a few of them.

Last year we were reaccredited by the Higher Learning Commission. All criteria were met with no concerns. The reviewers noted that VCSU has a "healthy, forward-looking culture that uses evidence of institutional and program effectiveness to inform decisions and to make improvements." This was a significant achievement. The HLC accreditation process provides a comprehensive review of the entire campus and assures quality by verifying that we meet standards and are engaged in continuous improvement. This was a proud moment for our entire institution.

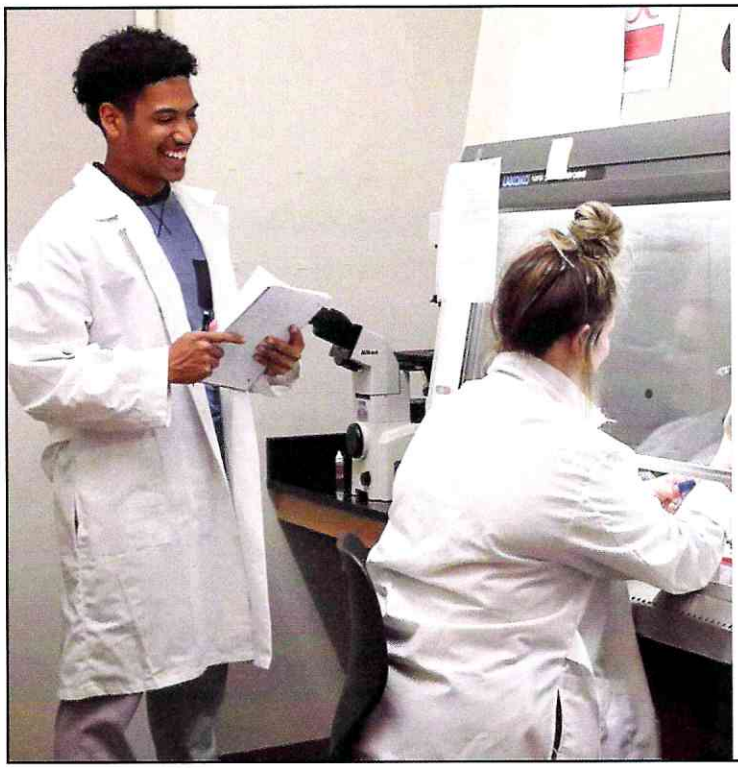
VCSU also received a $600k grant to address teacher shortages. The grant will fund the VCSU Grow Your Own Scholarship Program. This program offers scholarships to individuals aspiring to become a licensed teacher in North Dakota. It is specifically designed for paraprofessionals and substitute teachers working in North Dakota school districts.

Our new Masters of Science in Business Information Systems was launched. This program combines various computer systems skills with software training in Sales Force and other critical business applications. This degree will provide well-equipped employees ready to step into the workforce with advanced business and IT knowledge. It is important to note that this program was developed as a result of a partnership with local community workforce needs.

The Viking Mobile ID was offered early this year. This is an innovative solution using readily-available technology in a different way. Daily occurrences students need their ID cards for, including access to residence halls, dining, copy services and Viking dollars, are all available via a mobile device now. Not only is it safer, but it also is more convenient.

Our myVCSU app provides a secure way for students and employees to access items like Campus Connection and Blackboard through a single sign-on service with multi-factor authentication. This app makes it easier to access important campus services, and VCSU was the first North Dakota institution to launch a mobile app like this for our campus.

Within the last year, our campus developed and launched a visionary strategic plan. The plan was developed with input from faculty, staff and students. The plan has data-driven goals and will create exciting new opportunities for our students.



## Accreditations

- Higher Learning Commission (HLC)
- Council for Accreditation of Educator Preparation (CAEP)
- National Association of Schools of Music (NASM)

Finally, last spring we facilitated the opening of the Center for the Arts on our campus. Our team managed the construction of this building on time and within budget and it is a wonderful facility that improves the student experience on campus as well as providing a critical avenue for relationships with the Valley City and Barnes County community. To date, we estimate about 1,200 high school students have come to campus for an activity in the CFA. It has become a wonderful part of our campus.

### Accreditations

I'd like to highlight our accreditation. With the rising cost of education it is important to our students that the education they are receiving is valuable and vetted. As I mentioned before, we recently received our reaccreditation by the Higher Learning Commission. We have several program-specific accreditations as well including:

Council for Accreditation of Educator Preparation (CAEP)

National Association of Schools of Music (NASM)

These accreditations prove that our educational experiences in multiple disciplines are of the highest quality. These are typically reviewed every seven to ten years with various reviews and checks within those time frames.

# National Recognition

- Top 'Public Regional Colleges in the Midwest' in North Dakota by U.S. News and World Report in 2023
  - Ranked as a Best Value Schools and Top Performer on Social Mobility
  - U.S. News 'Best Colleges' for 25 consecutive years
- Top-ranked Elementary Education program in the nation by Study.com in 2021
- Best North Dakota college for Cost & Financing by Wallet Hub
- Top 25 "Most Affordable Online Bachelor's Degrees" by OnlineU
- "Best in the Midwest" as listed by Intelligent.com
- Top regional university in North Dakota as listed by EdSmart.com

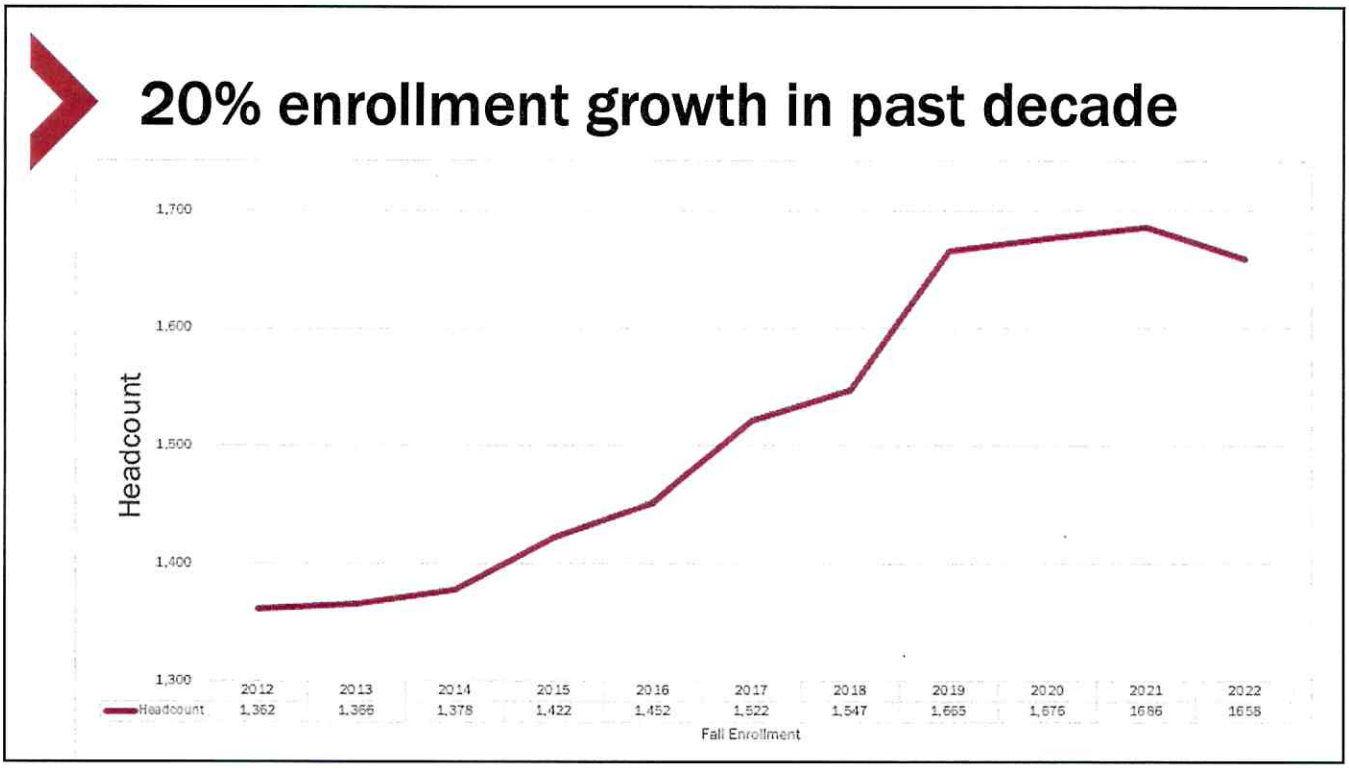
VALLEY CITY STATE UNIVERSITY

## Nationally Recognized

Another mark of quality for VCSU is our quarter of a century long ranking as a Best College with U.S. News and World Report. This is one of the most recognized college rankings that is published every year. This year in particular we were ranked as the top regional public college in North Dakota and a Best Value School. We were one of only two public colleges ranked and the top public school on the list, and the only school in North Dakota. This ranking continues to attract high-quality students and be an important marker for families as they compare secondary education options.

I will mention it many times today, but our School of Education is really a shining jewel in the Midwest and nationally for producing high-quality teachers. Recently we were recognized by Study.com as having the best elementary education program in the nation. We've known our education program is top notch, but we also have the numbers to prove it. Our alumni are working in 359 schools in North Dakota alone and make a difference in the lives of students every day.

We know the education provided at VCSU is high-quality, but it is also noted for being affordable. Late last year, Wallet Hub ranked VCSU as the best college in North Dakota in terms of cost and financing. We were lauded by OnlineU as having one of the most affordable online bachelor's degrees. Our affordability ensures that education is accessible to all learners, regardless of economic background.




## Enrollment Growth

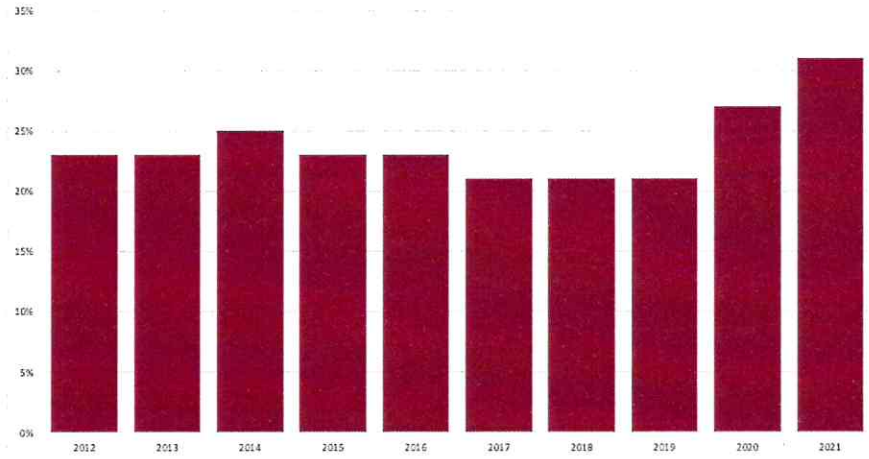
Contrary to national trends, our enrollment numbers are steady. We had a slight dip last fall by about 20 students, somewhat caused by a smaller junior class, but our fall 2023 numbers are looking steady and solid. Our team tirelessly recruits quality and diverse students. You can feel that energy the moment you step on to campus. I may be biased, but I think VCSU has some of the best students I have ever had the privilege of working with during my time in higher education.

We have 59 more students living on campus in the fall of 2022 as compared to the fall of 2021. All of our residence halls, except one, have more than 80% occupancy. This is due to the great campus environment we have been working to enhance and the rate lock costs for students. We now ensure students who stay on campus, have the option to pay the rate they paid their first year, all four years. This has been an excellent recruiting and retention tool and is a positive cost-saving approach for them as well.

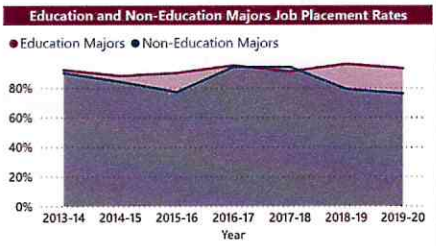
Enrollment growth has been a sign for us that we are offering programs students are interested in, and programs with strong post graduation job potential.

# Graduation Rates and Job Placement

**VCSU graduates who complete their degree in four years**




**100% placement rate** for 2021-2022 Education Majors that completed post-graduation survey.



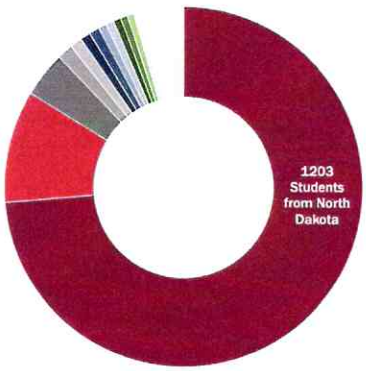

## Jobs Prior to Graduation

Another metric we are proud of at VCSU is our graduation and placement rate. We lead the regional colleges in North Dakota with our four year completion rate. Our focus with students is ensuring they have quality advisors who can guide them to complete their degree on time. Planning and advising helps our students get the courses and experience they need while also getting the most out of their entire VCSU experience.

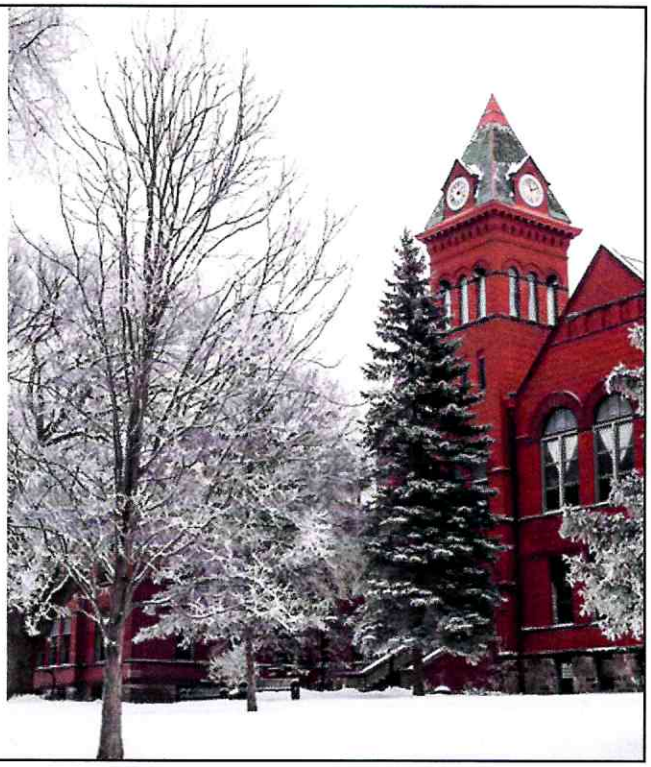
After graduation, we want to make sure our alumni have multiple job opportunities. Last spring, as I was shaking hands with graduates as they walked across the stage at graduation, I was well aware that many already had accepted job offers across our state and nation. I'll specifically mention education in regards to placement. Last year, 100% of our education majors who responded to the post-graduation survey had a job within a year.

With a hands-on career services office, our students are able to get real world experience and opportunities they may not have had access to prior to coming to VCSU.

# 73% of our students are from North Dakota




- North Dakota
- Minnesota
- Wyoming
- South Dakota
- Texas
- Alaska
- California
- Hawaii
- Montana
- Colorado
- Florida
- Washington
- Arizona
- Pennsylvania
- Georgia
- Illinois
- New Jersey
- Nebraska
- Wisconsin
- Other



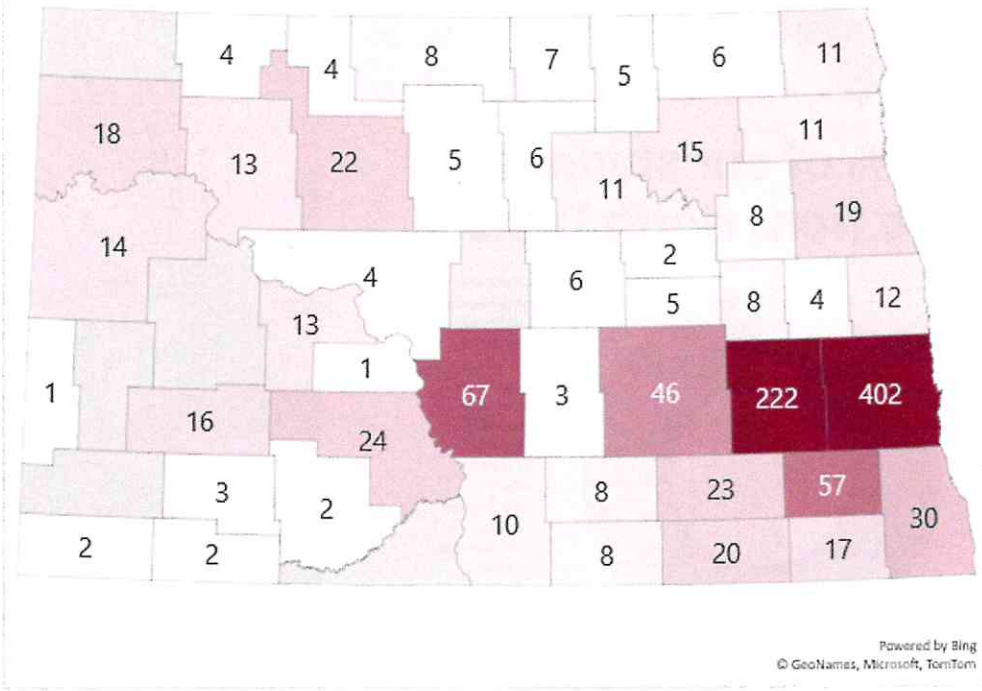
## Serving our State

It's clear from our enrollment that we have a stellar reputation statewide and we are meeting a critical need for our state.

Our location off I-94 between Fargo and Bismarck, our small campus size and welcoming community provide students the opportunity to receive a solid education in a picturesque North Dakota setting. 73% of our students are from across the state of North Dakota. Our campus is a safe, welcoming place for students to thrive socially, athletically and academically. Once they complete their degree, our students typically stay and join the workforce here.

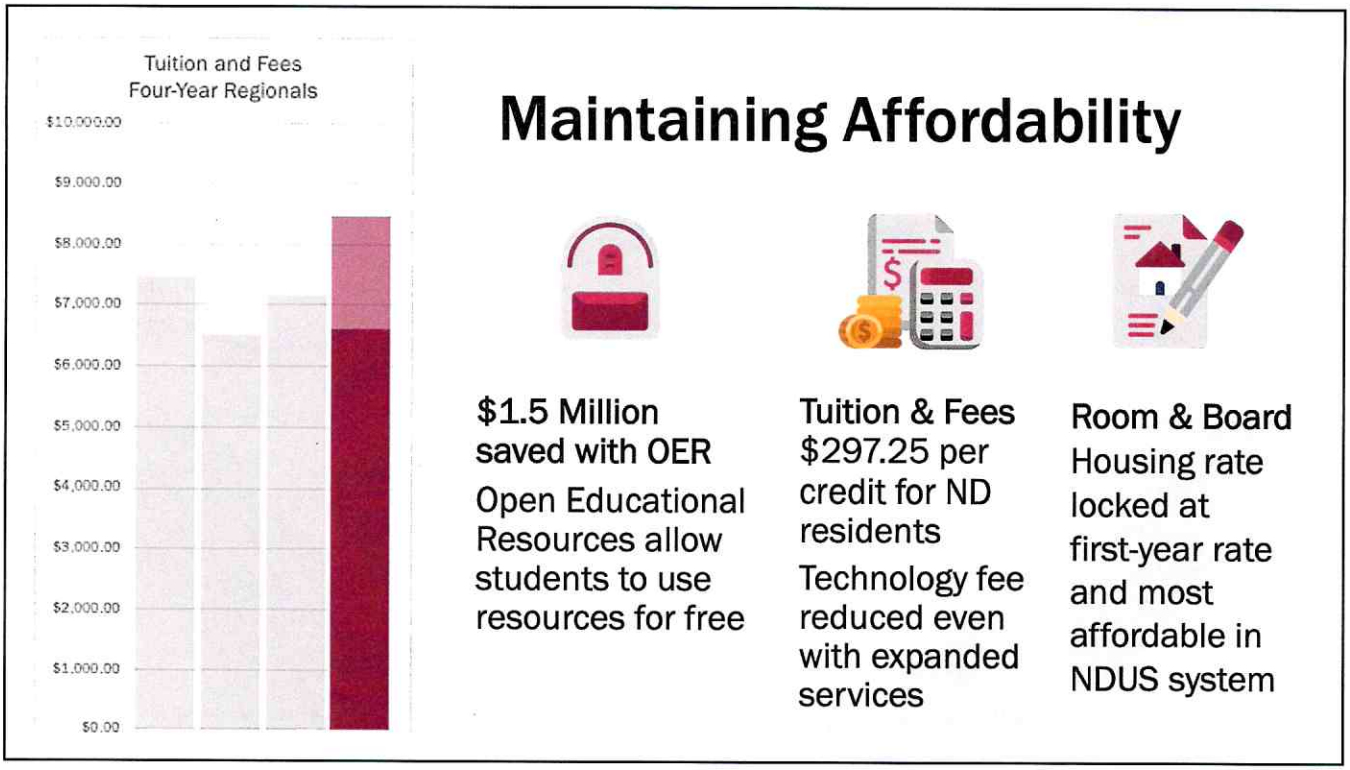
We also have students from 44 states and eight countries that call VCSU their educational home. Many enjoy the charm of our campus and positive pieces about living in our state. Many who graduate choose to stay and continue living in our state.

# Students by Home County




**Students from across North Dakota**

The majority of our students are from Cass and Barnes counties. This makes sense given our location, but we have students from almost every county in the state. From Bowman County to Pembina County and everything in between, our students have a wide-variety of backgrounds. Our students make the trip to Valley City for many reasons, but they all eventually enroll and find their home as a Viking.



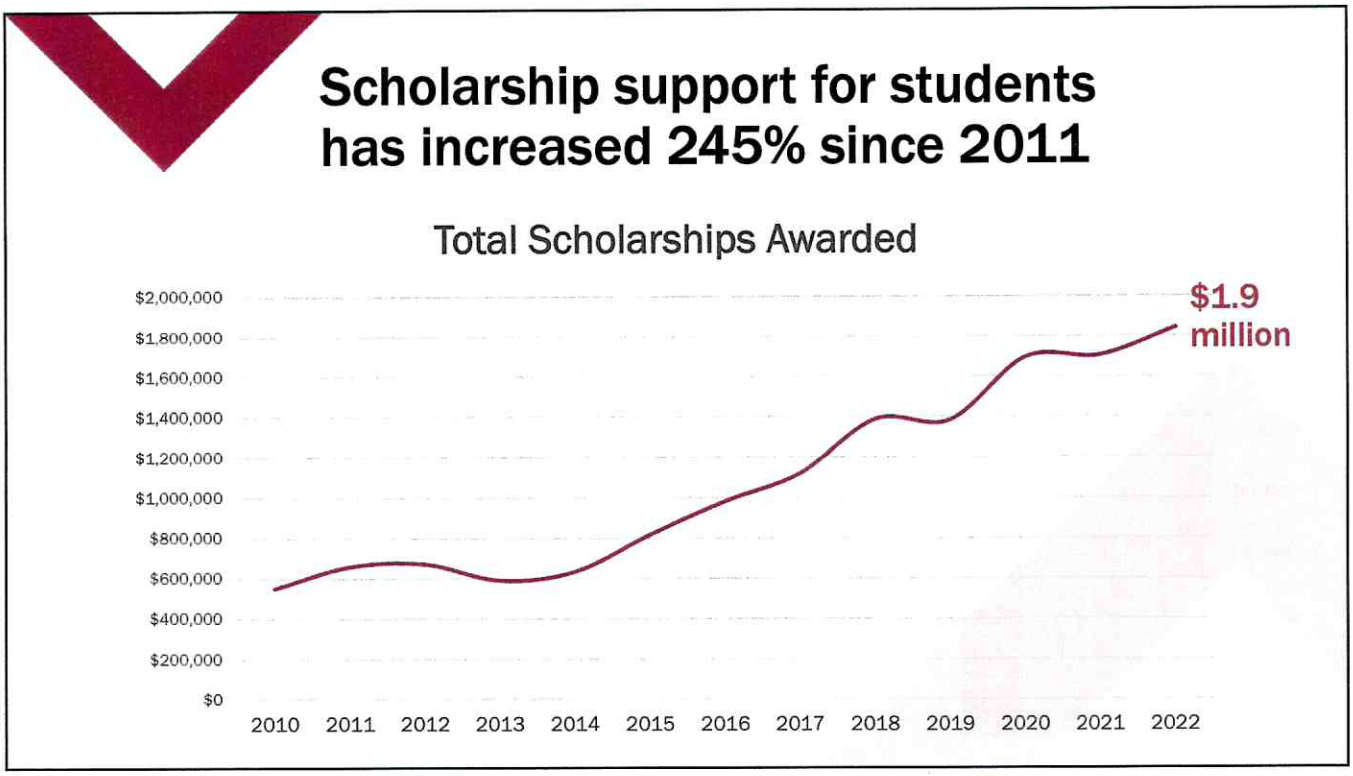

## Ensuring Education is Affordable

One of the most important topics on our radar is maintaining affordability for our students. We are committed to ensuring every student has access to a high-quality experience at a rate they can afford. Our tuition and fees are among the lowest of the four-year regional colleges.

Some ways that we are committed to doing this include using Open Educational Resources. Our campus is proud of our use of OERs, and the fact that it has saved our students $1.5 million since 2013 is a feather in our cap. These are online resources that students download including textbooks and learning materials for their courses.

Our tuition and fees are just under $300/ credit for North Dakota residents. In fact, our technology fee today is less, in real dollars, than it was the year that the laptop initiative began. We still provide laptops for every full-time student and offer a wide variety of additional technology resources. This is an example of our work to curb costs by operating efficiently.

We have also locked the rate for housing in for students at the rate they pay their first year on campus. This has been a great retention tool and having that guarantee for those students is a stabilizing and encouraging piece for them to continue their education.




## Scholarship Support is Crucial

There is a definite connection between student financial support and our continued growth.

Often I am asked how we have continued enrollment success. Clearly there is a link between scholarship support and enrollment. Our VCSU Foundation has been tremendous in helping our students attain their degrees by providing increasing scholarship support. This year, they allocated $1.86 million in scholarship assistance, up from $1.723 million the previous year.

In 2011, we awarded just over $550,000 in annual scholarships. That number rose to just over $1.9 million this past year. The escalation was due in large measure by increasing our scholarship values to the highest in the region and by making those scholarships renewable to incoming students. That is a 245% percent increase in scholarships over that period with stated goals of growing enrollment through offering 90% of our incoming freshmen a scholarship; offering 80% of those renewable scholarships.

The following points confirm that we are fulfilling our financial commitment to our students:

Our students graduate accumulating less debt than our regional counterparts.

We currently offer the most substantial scholarship program per merit in our region.

In the last 10 years we have substantially grown our scholarship offerings by over 245%.

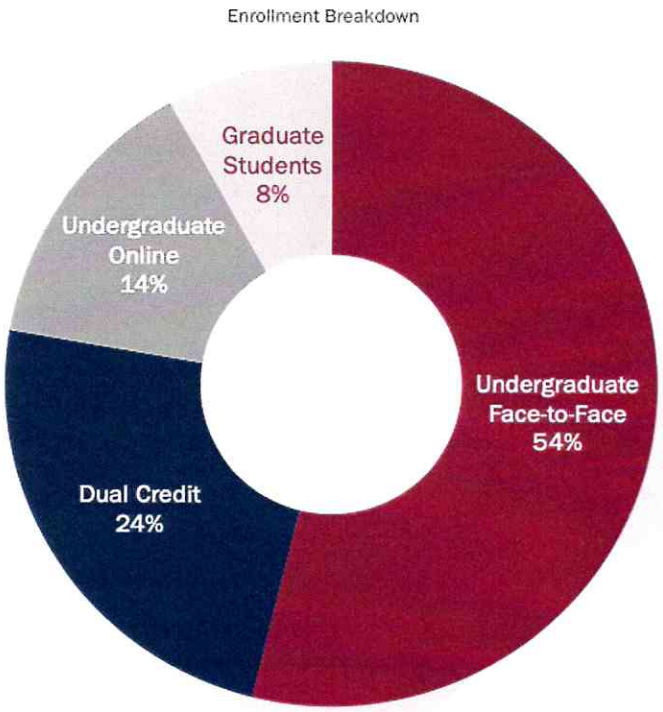
Since 2013 we have increased our endowment by $11.7 million through the ND Challenge Grant.

We are committed to the same allocation for 2022-23 despite a downward market trend.

The Foundation Office focus will always work on improving our position to help VCSU attract and retain a growing population of students while also providing a quality experience for our alumni, friends, campus and community.

# Meeting Students Where They Are

***Fall 2022 Enrollment Overview***
***Headcount***




## Overview of our Students

Like most universities, we are working hard to respond to student needs and preferences in regards to education delivery. As you can see in this chart, we have a majority of students who are undergraduate face-to-face students. This number reflects the continued desire by many students for a "traditional" college experience including living in residence halls and participating in many on-campus activities.

In addition to our on-campus students, we have seen an increased interest in high school students completing VCSU courses before they receive their high school diploma. Dual credit offerings often help students complete general education courses and allow them to earn those credits early. For some, this means they can complete a bachelor's degree in three years and join the workforce earlier than would otherwise be possible.

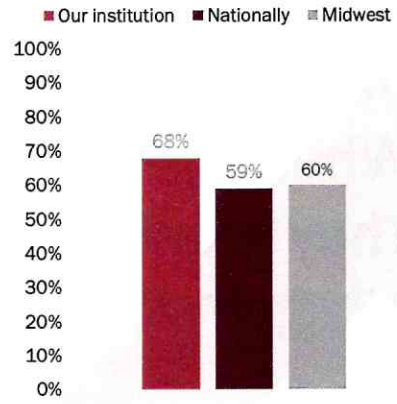
Many of our students are taking their classes in an online environment. I'd like to mention the importance of these offerings, specifically as it pertains to our graduate programs. We offer multiple graduate degrees online that focus on education. We have a Masters of Education Program with various concentrations including Elementary Education, Library and Information Technologies, Teaching English Language Learners and more. These courses allow individuals who are actively teaching to continue their education, earn a masters degree and move up in salary structures. This is an important offering in regards to retaining the teaching workforce in our state.

"My career goal is to be an elementary school principal. I want to spend time in the classroom first to work with students to help them succeed and find a love for school."

*Saige Forseth, '24*
*Elementary Education Major*

## Our Why

***How satisfied are our students compared with students nationally?***




*Data source: 2021 Student Satisfaction Inventory*

### Satisfied Students

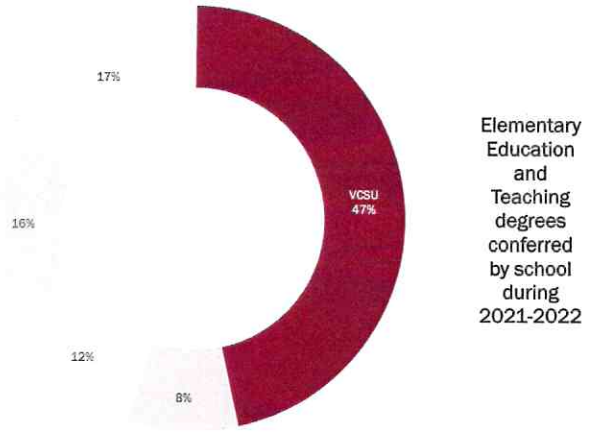
Regardless of delivery type or location, our primary focus is our students. On this slide, you can see Saige Forseth of Hillsboro, ND. Saige is a shining example of an engaged student. She is involved in Student Senate and an excellent softball player. She also is studying elementary education and dreams of one day becoming a high school principal.

Saige's story helps remind us why this work is so important. Our why is founded in our mission, to prepare students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

Our student satisfaction continues to outpace regional and national trends. Since 2002, VCSU has conducted the Student Satisfaction Inventory (SSI) during even-numbered spring semesters for our face-to-face students. VCSU has consistently been rated positively by our student population, and in 2022 we scored above the other schools nationally and in the Midwest again. We also receive a snapshot from the National Survey of Student Engagement (NSSE). In the most recent NSSE report, 91% of our seniors reported that their experience at VCSU contributed to their knowledge, skills and personal development in thinking critically and 82% in acquiring job knowledge and skill.

# Leader in Teacher Education

139 education graduates last year, VCSU has more education graduates than any other North Dakota college or university




## Leading Teacher Education in North Dakota since 1890

VCSU's School of Education is an important part of our campus and I'd like to focus specifically on this area of expertise.

Last year, VCSU graduated 114 Elementary Education teachers, 31 in secondary content areas.

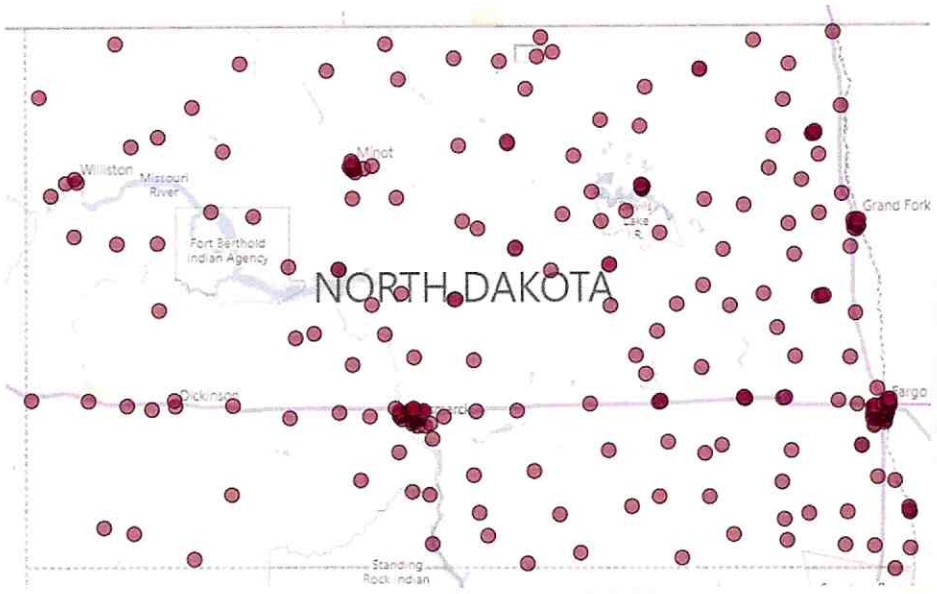
Our students are not only well-prepared for the classroom but prepared for certification exams as well. Teacher Education candidates are required to complete and pass content and pedagogy examinations for graduation and teacher licensure, such as the Praxis II test. Since Praxis II testing requirements for licensure began in 2006, 95% of all VCSU education graduates have passed the content exams and 96% have passed the pedagogy exams. Recent data released by the National Council on Teacher Quality (NCTQ) shows that Valley City State University (VCSU) continues to be a leader in preparing the next generation of teachers, including helping students of color achieve success.

VCSU has helped 48 individuals earn their Master of Arts in teaching since the fall of 2017. These are individuals who were not teachers, but working in the field and made the choice to return to school to become a teacher.

In September of this year, we received a $600,000 grant to help address the teacher shortage. These funds will be used to help connect those working as substitute teachers or para professionals in North Dakota schools with our online education program so they can become full-time licensed teachers. Our School of Education is working on plans to offer that widely across the state given the enthusiastic response we have received for the program so far.

# Alumni Teaching Across North Dakota

1,514 VCSU alumni are teachers and administrators at 359 schools serving in 151 North Dakota communities




## Alumni Across North Dakota and the United States

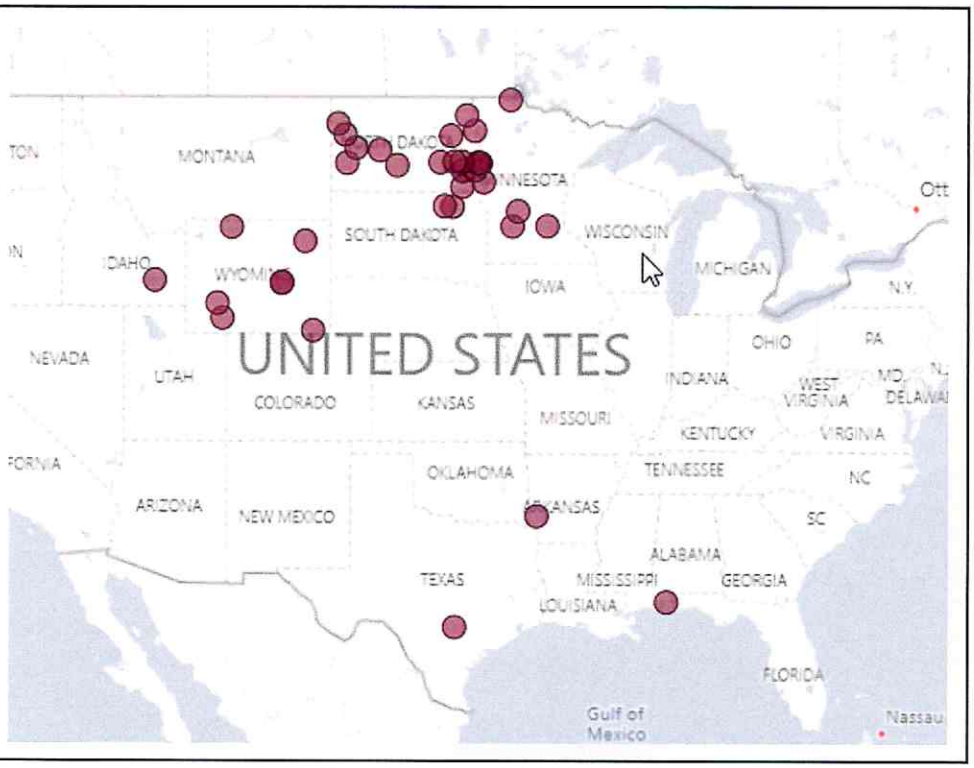
It is hard to find a North Dakota school that does not have at least one VCSU graduate working with students. From teachers to administrators, coaches, counselors and more, our alumni are making a huge difference in the future of North Dakota. Not only are VCSU alumni filling a critical workforce need in our state, but they are also shaping our future workforce.

This year alone, 1,514 VCSU alumni are teaching in 359 different schools in 151 different communities. To break that number down even further, 243 of these alumni have a master's degree from VCSU. 83 of these individuals have an undergraduate and graduate degree from VCSU.

VCSU's educational programs continue to make a huge impact on the teaching workforce of our state.

# Student Teacher Placement

***2021-2022 Locations***




## Student Teaching to Strengthen Success

One of the ways our School of Education ensures graduates are ready for their first day as a teacher is by closely working with students and schools to have great student teaching experiences. Student teaching is an important part of the student experience, and our School of Education faculty and staff ensure candidates are well-prepared and gain a lot of practical experience while in the classroom.

One innovative way our School of Education has helped build on this concept is with students in West Fargo Public Schools. VCSU Elementary Education Students, who are also NDSU Human Development and Family Science students, actually attend college courses taught within an elementary school. This arrangement allows the students to observe classes and quickly make connections between course content and in-classroom usage.

Strengthening the connection between the college courses VCSU offers and real-world, hands-on experiences helps our students, but also assists the school. With this setup, students have the opportunity to observe classrooms in the fall and potentially student teach with the same teacher in the spring.

## Students Gaining Experience as Substitute Teachers

In addition to that unique program, VCSU also has a program that allows students to become substitute teachers while pursuing their degree. Students who can work as a substitute teacher earn money to help pay for school and fill a critical need in our state for substitutes. This is a win-win for the students and for our elementary schools.

## Structured to Help Students Succeed

Helping new teachers succeed in their first five years increases the likelihood they can be retained as part of our teaching workforce. VCSU has developed excellent programs, but we have also excellent students. I'd like to highlight some of our graduates that exemplify what it means to be a Viking. From Wayne Stanley at South Prairie who has led his school district for years, to Megan Wald, runner up for teacher of the year, we have so many teachers and administrators that inspire pride.

One of the graduates we would like to highlight today is Paige Fettig. Paige graduated from VCSU in 2018 and now teaches fourth grade at Miller Elementary here in Bismarck.

## Paige Fettig, '18 - 4th Grade Teacher

Good morning! My name is Paige Fettig and I am a Bismarck native. I grew up here and attended K-12th grade in Bismarck Public Schools and graduated from Century High School in 2014.

I decided to attend VCSU after a Viking Visit Day because the campus and the staff made an impression on me. I knew VCSU had a reputation for having the best education program in the state, but after visiting with professors that day, I felt that had been confirmed. I was welcomed and valued and could hear the passion in their voices as they spoke about the program and what it had to offer. I knew I would be in good hands.

I cherish the time I had in Valley City. I graduated in 2018 with a bachelors in elementary ed with a few endorsement certificates under my belt. I had accepted a teaching position in Bismarck that May and have been teaching 4th grade in BPS now for 5 years. When I left my classroom this morning I had taught a lesson about reading fluency and when I return we'll jump right into sound waves. Being away from my students during the day makes me anxious, but the reason I'm here today is very important.

As I had said before, VCSU's education program has a reputation for being the best. But in order to stay at the top of the pack, the facilities need to be updated. McCarthy Hall has many of the education classes. It is one of the oldest building on campus and in desperate need of basic renovations such as the heating system. I remember when we'd have classes McCarthy, the heater would make the loudest banging noises and just operate at a level that would become too distracting for class and we'd end early. We were limited to the classrooms we could use because many of them didn't have the technology for us to project from laptops for presentations.

The environment in McCarthy is very "old school" for lack of better terms. It's that stereotypical image of a schoolhouse that comes to mind with chalkboards and rows of desks. McCarthy actually still has chalkboards! Schools today don't resemble that at all. Many classrooms have multiple options for seating, gathering spaces, and quiet heaters. Even smart boards have become obsolete and smart projectors have been installed so a regular whiteboard can become interactive when the projector is on.

I felt very prepared for my role as a classroom teacher with the learning I did at VCSU. My time there gave me the knowledge I needed not only to teach well, but also to understand how students learn. The term "students" doesn't just apply to elementary age children, it also includes adults. Learners need comfortable and welcoming environments to engage in content. They need their surroundings to be conducive to their learning needs. They need a space that allows for collaboration and communication... and to not be interrupted by banging heaters.

Currently, the education offices are in McFarland Hall, along with some faculty offices. While other offices and classes take place in McCarthy. The renovations to McCarthy will also create a more cohesive program due to the proximity of the entire department. Having a central location will allow for easier collaboration and a stronger sense of community.

We know that teacher retention has taken a big hit over the last few years. Every district is feeling it, including my own. It's imperative that we do what we can to encourage those interested in education to pursue their interests and masters of their craft. By supporting VCSU and the McCarthy renovation, you'll be helping new teachers find their passion for education, which will in turn inspire young students to find their passion for learning.

## Workforce-Ready Graduates

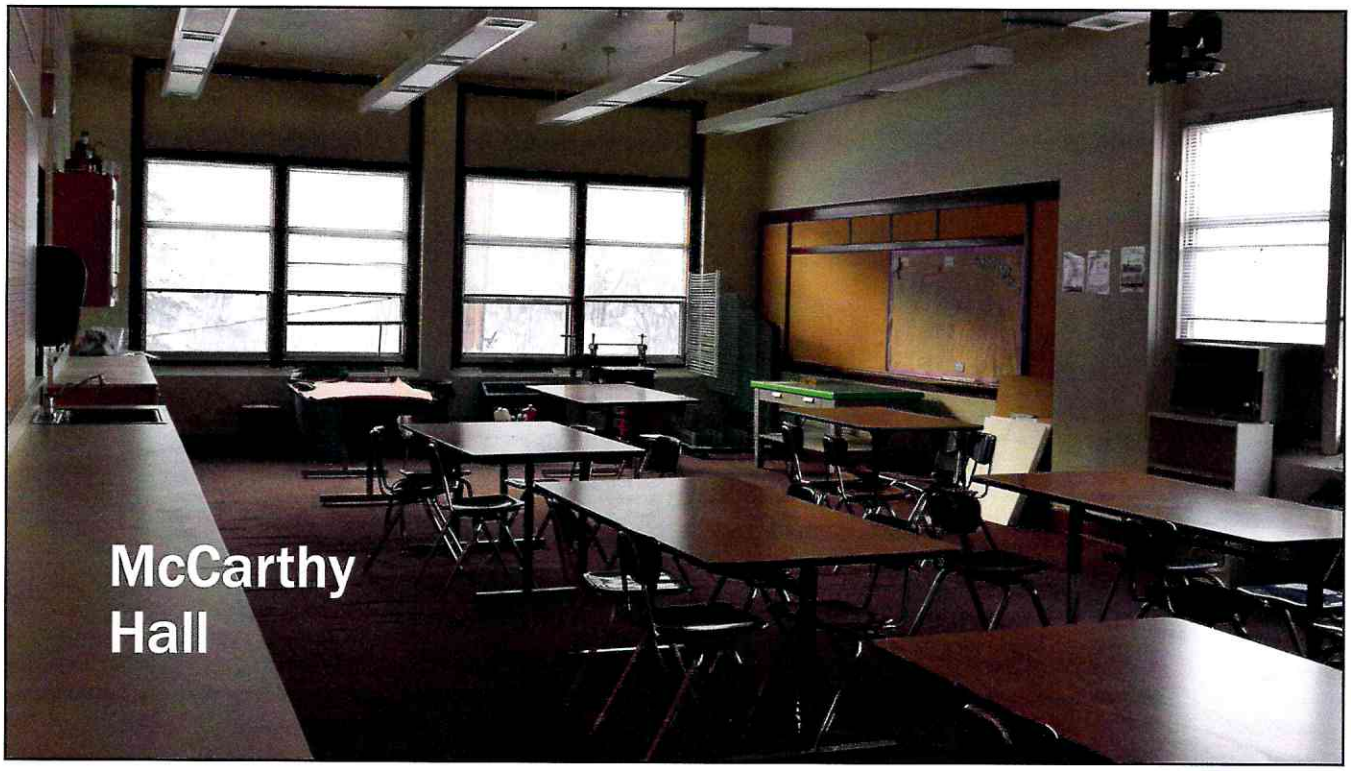
Survey data from North Dakota schools found that 97.8% either 'agree' or 'tend to agree' that VCSU first-year teachers effectively teach the subject matter in his/her licensure area.

**Workforce-Ready Graduates**

Simply put, our graduates of the School of Education are ready to teach. Survey data shows that almost 100% of school respondents thought VCSU first-year teachers can effectively teach in their subject matter. This is remarkable. The strength of VCSU's School of Education comes from our dynamic faculty, continued connections with local school districts and the hard work from our entire School of Education.

Our education program is successful and known locally, statewide and nationally for excellence. I share these successes with you because we have a need to bring our School of Education into the 21st century. We need your help.

North Dakota has a critical shortage of teachers. We need your investment in VCSU to help us meet this need head-on. As we outline how to make this happen, it's important to note that we have accomplished a great deal in regards to preparing teachers for more than a century. VCSU can be trusted to continue moving forward with this effort, as a reliable and innovative leader.




## Facilities Commensurate with Experience

This is McCarthy Hall, specifically the third floor. This classroom is a photo that was taken recently, but could've been taken years ago. These rooms have been the same for decades and it's time to bring them into the 21st century.

I'd like to provide a little history about this Hall and the effort to make it the permanent home for our School of Education. In 1930, McCarthy Hall was built as a lab school for training teachers. During that year, 30 students were enrolled in the teacher training program. During 2021-2022, 186 VCSU students were awarded either a baccalaureate or graduate degree in education. Currently, the School of Education and Graduate Studies is spread out across campus. The project will bring the entire School of Education under one roof and will allow for better collaboration and enhanced learning experiences for students.

McCarthy Hall is redesigned with the teachers of tomorrow in mind.

There are three important areas to note:

Technology Education: Classrooms for technology education include dedicated environments for high-tech machining, assembly, wood fabrication, metal fabrication and a virtual reality lab area.

Educational Spaces: Spaces are designed with flexible seating and updated technology similar to what students will encounter in real-world school environments. The layout will also incorporate a large student workroom, curriculum library and numerous study spaces.

Faculty Space: Currently, education faculty have offices spread across various parts of campus. This renovation will allow the Department of Education to bring an enhanced team approach to supporting students as they prepare to become teachers.

# McCarthy Hall Future

The future home of VCSU's School of Education and the Department of Technology

## The Future Home of VCSU's School of Education

Valley City State University is requesting $11.5 million to renovate McCarthy Hall for the School of Education and Graduate Studies and the department of Technology Education. VCSU will contribute to this effort with $2 million in private donations. This is a teacher workforce development project and will eliminate more than $8 million in deferred maintenance.

Based on preliminary design, the total cost of the project is estimated at $13.5 million. This project renovates existing space and will make this historic building more efficient. VCSU anticipates cost savings for heating, lighting, air conditioning and maintenance. This one-time request will have a positive impact on VCSU's long-term utility budget.

No new faculty or staff will be necessary for this project. VCSU has completed preliminary design and cost of the project. If funded, we will begin implementation immediately. The renovation will be completed in two to three years. This project will enhance the high-quality educational experience students receive at Valley City State University. This will also help attract future teachers to the North Dakota workforce.

I'd like to introduce Dr. Allen Burgad, our Dean of the School of Education, to discuss this effort and our education programs in more detail.

# Dr. Allen Burgad

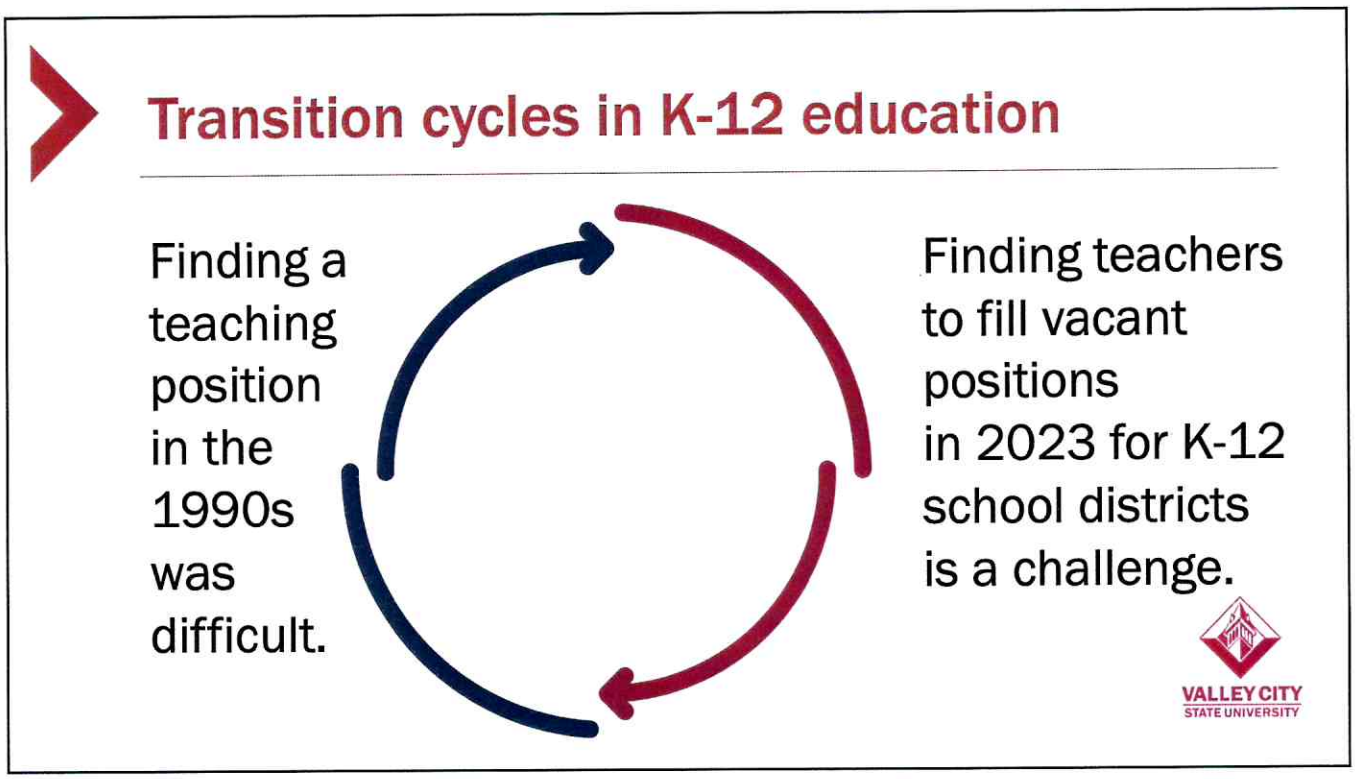
Dean, VCSU School of Education

1989 graduate of VCSU
Former North Dakota educator and school administrator for 32 years

**Dr. Allen Burgad**

Chairman Sorvaag and members of the Senate Appropriations Committee, for the record, my name is Dr. Allen Burgad, current Dean for the School of Education at Valley City State University and a 1989 graduate of VCSU.

I am a retired K-12 Educator that grew up in Strasburg, ND. My career has taken me from Napoleon, Stanley, Northern Cass, West Fargo, and now Valley City.




**The Cycle of the Teacher Workforce**

As a former North Dakota educator and school administrator for 32 years, I have experienced transition cycles in K-12 education. Finding a teaching position in the 1990s was difficult. Finding a teacher to fill vacant positions in 2023 for K-12 school districts is a greater challenge.

## VCSU School of Education Vision

*Prepare highly qualified teachers through a student-centered learning environment focused on relationships, social-emotional learning, and academic relevance.*

### Achieve Vision Through Extensive Partnerships with K-12 Schools

- Applicable and Authentic Field Experiences
- Substitute Program – Supervised by VCSU Faculty
- Preparing Future Educators On-site Program

### Substitute Teaching Program has Positive Impact on Preparing Teachers

- Substitute program partnered with regional schools has also aided in addressing the critical subbing shortages.
- Many of our pre-service teachers have recorded over 75 subbing days with school districts in North Dakota prior to graduating.

### Our Vision of a Successful Future

The picture in the presentation is an example of pre-service teachers in the field at a regional elementary school.

The VCSU education program has partnered with many K-12 schools to prepare pre-service teachers to be successful future classroom teachers. Our field experiences through required practicums and substitute teaching, supervised by university faculty, has resounding data in preparing our pre-service teachers.

VCSU substitute program, partnered with regional schools, has also aided in addressing the critical subbing shortages. Many of our pre-service teachers have recorded over 75 subbing days with school districts in North Dakota prior to graduating.

## Learning is social and requires relationship building embraced by reflection.

- These learning components are also applicable for individuals preparing to be classroom educators.
- Students have echoed the importance of being prepared in addressing the dynamic health, wellness, and behavioral needs experienced during their field experience.

### Our Purpose and Feedback from Students

Learning is social and requires relationship building embraced by reflection. These learning components are also applicable for individuals preparing to be classroom educators.

The VCSU School of Education has identified our purpose by preparing highly qualified teachers through a student-centered learning environment focused on relationships, social-emotional learning, and academic relevance.

This purpose was established by feedback provided by our student advisory committee who are currently enrolled in the teacher preparation program at VCSU. These students have also echoed the importance of being prepared in addressing the dynamic health, wellness, and behavioral needs experienced while student teaching.

# School District's Needs

- Current ND school educators and administrators have strongly indicated the importance of preparing future teachers with skills supporting student engagement, social-emotional learning, and responsive classrooms through relationship building.
- In addition, 21st century learners have unique learning needs relevant to literacy and innovation.

## Meeting the Needs of North Dakota Schools

Current ND school educators and administrators have strongly indicated the importance of preparing future teachers with skills supporting student engagement, social-emotional learning, and responsive classrooms through relationship building.

In addition, 21st century learners have unique learning needs relevant to literacy through the Science of Reading along with voice, choice, and pace on how they demonstrate their learning framed by Personalized Competency-based Learning (PCBL).

**Effective teaching through modeling and delivery requires large spaces for direct instruction and flexible spaces for differentiated instruction embedded with modern technology.**

## Proposed Renovation of McCarthy Hall

- Expand on the Number of Graduates in Teacher Education
- Provide pre-service teachers with learning environments that have proper heating, cooling, and air quality.
- Afford learning spaces enabling faculty to deliver instruction modeling engagement, relationship building, reading and math literacies, and innovation through a personalized competency-based pedagogy.

### Flexible Spaces for Dynamic Experiences

Our proposed renovation of McCarthy Hall at VCSU would enable our university to:

- Expand on the Number of Graduates in Teacher Education
- Provide pre-service teachers with learning environments that have proper heating, cooling, and air quality
- Afford learning spaces enabling faculty to deliver instruction modeling engagement, relationship building, reading and math literacies, and innovation through a personalized competency-based pedagogy.

Effective teaching through modeling and delivery requires large spaces for direct instruction and flexible spaces for differentiated instruction embedded with modern technology.

Our proposed updates will help VCSU in preparing future classroom teachers to be passionate, compassionate, and innovative educators.

VALLEY CITY STATE UNIVERSITY

**Retaining our Teaching Workforce**

This picture represents our 145 K-12 2021-2022 education graduates. These young teachers are meeting a critical workforce need, and it's important to recruit more students to join them, but equally important is retaining them once they become teachers.

A majority in the loss of teacher retention occurs in the years one through five.

An updated Teacher Center will enable VCSU to increase and prepare the number of passionate, compassionate, and innovative long-term classroom teachers in the state of North Dakota.

**Partnering with others to Enhance Success**

I'd like to share some partnerships and initiatives we have with other NDUS institutions.

We have been working to meet the need for nursing and healthcare workers by partnering with Dakota College at Bottineau. Students can attend classes on our campus, but receive their nursing degree from DCB.

We also partner with NDSU to offer a dual degree program. NDSU students study Human and Family Development. Then, as juniors, they become VCSU students working toward a degree in elementary education. This is a great program that provides students access to two excellent degrees in a unique way. Our faculty teach in the Fargo metro area and, I'd also like to note, students in this program are able to attend their VCSU classes inside an elementary school. This provides greater access to real-work experiences and hands-on opportunities, increasing their comfort and familiarity with a school environment.

Our academic programs have 44 different articulation agreements. These allow students greater access to courses and degrees in seamless ways.

Faculty and staff at VCSU have partnered to create educational opportunities just south of Valley City at the Prairie Waters Education and Research Center. This center specializes in water education and water-related research. Each year, Prairie Waters hosts students, professionals, and other community groups to educate about water resources and the organisms found in water ecosystems. Summer camps, field trips, and research opportunities are some exciting events that take place each summer. Located about 20 miles south of Valley City, Prairie Waters is a beautiful destination for people of all ages.

I'd like to mention the Northern Information Technology Consortium (NITC). The NITC is a partnership between Valley City State, Williston State, Dakota College at Bottineau, Lake Region State College, Minot State University and Turtle Mountain Community College. This Consortium allows greater access for students in regards to information technology courses.

Finally, the Rural School Partner Benefit Program is an important partnership we have with area schools. This program helps rural ND schools with attracting and retaining their teacher workforce.

# Rural School Partner Benefit Program

- Partnership with regional school districts to help rural ND schools to attract and retain teacher workforce
- VCSU reduces tuition rates for teachers pursuing graduate credits for
  dual-credit certification or master's programs
- Districts provide field experiences, student teacher placements, and assessments for VCSU preservice teachers. Districts also assist with teacher preparation through panel discussions, mock interviews and guest speaker presentations on VCSU's campus
- Program exists in Lisbon, Valley City, Central Cass, Kindred, Elgin/New Leipzig, Oak Grove, Litchville and Hope-Page Schools

VALLEY CITY STATE UNIVERSITY

## Retaining Teaching Workforce

The Rural School Partner Benefit Program is designed to create a "dynamic and sustained university-school district partnership that will promote collaboration between the University and partner schools with a focus on student learning and educator preparation." This effort will include both school district and university faculty and teacher candidates.

One of the first schools we partnered with was Lisbon Public Schools. Dr. Stephen Johnson, superintendent of Lisbon Schools at the time, said, "The focus will be on offering our students more dual-credit opportunities and preparing future teachers while updating current LPS staff with graduate credit. We will collaborate to place VCSU graduates in our school while helping them supervise and assess pre-service teachers in clinical experiences."

VCSU offers reduced rates for tuition for those Lisbon faculty seeking Master of Education, Master of Arts in Teaching or Content Area Qualifications. In addition, VCSU reduces the tuition for high school students taking dual credit coursework.

Currently VCSU is partnering with eight schools to offer this program, but work is ongoing to add more districts to the program.

# Community Partnerships

- Master of Science in Business Information Systems
- Cardiographic Technician course
- Marketplace for Kids

**Partnering in the Valley City and Barnes County community**

I'd also like to highlight some of the great partnerships VCSU has developed within our local community. We are incredibly lucky to have entities like the Valley City-Barnes County Development Corporation and its director Jennifer Feist. In partnership with them, we have had the ability to develop a few key programs to meet workforce needs. Also, we partnered with the Development Corporation for Summer Vikes on Central this year. Hundreds of our students walked across the historic footbridge into downtown Valley City and were welcomed with open arms. It really was an amazing event.

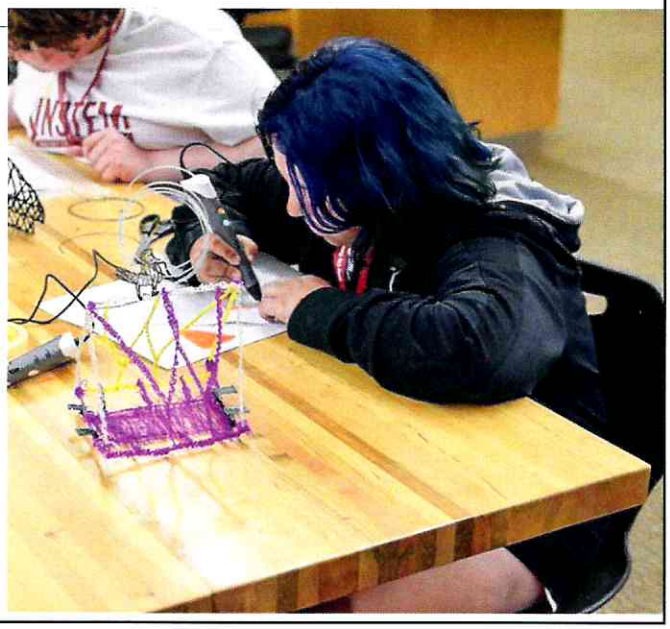
Our Master of Science in Business Information Systems degree was officially launched in 2022. It was developed to meet a workforce need identified at Eagle Creek Software in Valley City. This degree focuses on advancing skills in communication, Salesforce, SAP Business Software, computer software administration, and information technology management. Students can enter the program with a bachelor's degree in any major. The courses in this program help develop leadership skills for any individual seeking advancement or leadership roles in the workforce. Although enrollment is modest in this program, it is still fairly new and we are actively recruiting students for the degree path.

We are also offering a Cardiographic Technician course to meet a very specific workforce need. We were asked to help develop a course for this to increase the number of individuals that can take and pass the Certified Cardiographic Technician (CCT) exam. Individuals with this certification can work as Cardiographic Technicians for a local company monitoring electrocardiogram (EKG) strips. Not only is this an important class, but our faculty developed multiple tools to offer portions of it in an online environment. The online simulator created by our faculty provided an extra way for students to quickly grasp the course material and pass the certification exam successfully.

Finally, earlier this year, we hosted the Marketplace for Kids event. This event allows elementary students to become comfortable with new ideas and understand various parts of the economy. It was a great event and we hope to host it again in the future.

# INSTEM Partnership (Indians into STEM Partnership)

- Increase awareness and interest in STEM careers among ND Native American K-12 students
- Provide an opportunity to live and study on a college campus
- Increase self-efficacy in STEM academic content and future higher education enrollment
- Cohort model designed to have participating students return each year through high school graduation



**Partnering to Create Opportunity for High School Students**

Since 2018, the Great Plains STEM Education Center (GPSEC) at Valley City State University has been conducting week-long summer STEM academies for cohorts of North Dakota Native American middle and high school students. In 2020, the program was officially named INSTEM (Indians into STEM). INSTEM's mission is to increase awareness and interest in STEM careers among ND Native American K-12 students, while also providing them with the opportunity to live and study on a college campus to increase self-efficacy in STEM academic content and future higher education enrollment. The cohort model is designed to have participating students return each year through high school graduation.

The program was developed through the hard work of Lisa Lone Flight (senior environmental scientist with the Mandan, Hidatsu and Arikira nation and Dr. Jamie Wirth (director of the VCSU Great Plains STEM Education Center).

This project is a natural continuation of the Middle School STEM Academy. The intent of this project is to provide the hands on, highly engaging activities that can be used to help encourage Native Americans to pursue college education and particularly in STEM disciplines, where they are under-represented.

# Our Students are Career Ready

"VCSU really does a phenomenal job in helping a student who wants to be proactive in the career hunt and search, so I already have a job that I am currently working, before even graduating and receiving my degree."

*Connor Aanderud, '22*
*Software Engineering Major*

### Preparing a Successful Workforce

Alumni Connor Aanderud states this well, VCSU combines a great environment with excellent faculty to help students achieve personal and career success. Connor is a great example of a student who achieves real-world results before receiving his degree. As part of his senior project, he created software for an office on campus to more seamlessly process a specific type of application. During his senior year, he spent his summer working as an intern at DigiKey Electronics.

# Internship locations in 2021-2022

- Aflac
- Barnes County Museum
- Barnes County Sheriff's Office
- Barnes County State's Attorney
- Border States Electric
- Bridges Art Council
- Buffalo Bridges Human Service Zone
- Centrol Ag Consulting
- CHI Mercy Health
- Christian Adoption Services
- City of Fargo
- City of Valley City
- Collins Aerospace
- Community Action Head Start
- Cornerstone Rentals
- Digi-Key Electronics
- Eagle Creek
- Eide Bailly
- Enterprise
- Freedom Machine Group
- Go Promo
- I3G Media
- Inspire Counseling
- Just Kidding Preschool
- Menards
- Miller Motors
- Minnesota DNR
- National Information Solution Cooperative
- Northway Academy
- Open Door Center
- Sodexo
- Solar Steals
- State Historical Society of ND
- Stoneridge Software
- The Arthur Companies
- The Joe Niekro Foundation
- The Office of the State Auditor
- Three Affiliated Tribes Fitness & Recreation Department
- Times Record
- Titan Machinery
- Tri WG
- URL Radio, LLC
- US Federal Government
- Valley City Barnes County Public Library
- Valley City Parks and Rec
- Valley City Public School
- Ward County Public Library
- Wold Engineering
- Youth Correctional Center

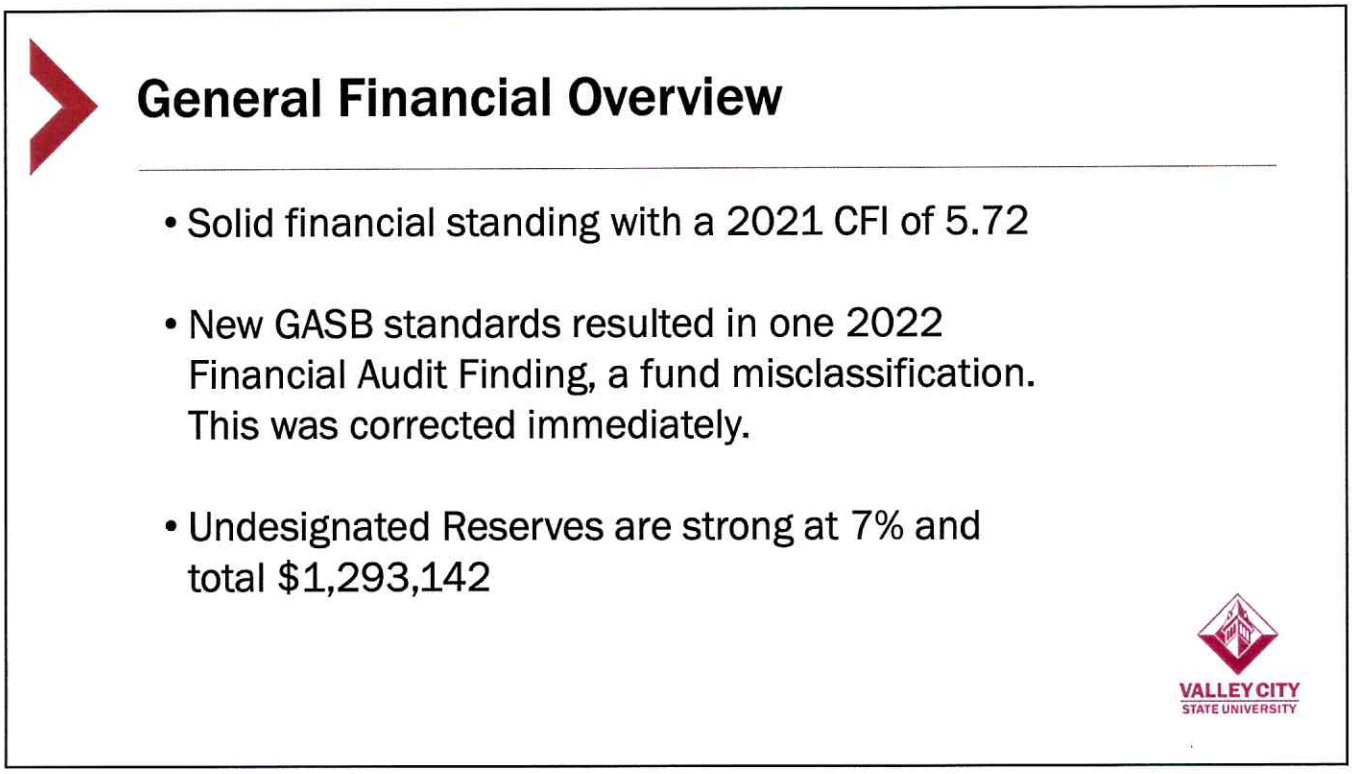
## Internships in Numerous Locations

Our Career Services department helped match students with many internships. This list is internship locations from this past year alone. Students successfully work as interns with some of the best organizations worldwide, and often, are offered employment after their internship is completed.

Of the more than 50 locations, we are constantly hearing about the high-caliber of the students placed in these spots. Internships are an important tool for students to gain real-world experience. They are also meeting a need of our employers by opening doors to new potential employees.

From Spring 2022 until Spring 2023, we have had 54 interns with 45 of them working for ND businesses/organizations.

Follow-up surveys with the internship providers indicate close to 100% percent of the students would be recommended for full-time employment by their internship supervisor. This is a critical portion of the VCSU experience and we are proud to have so many students succeed professionally, in part, due to these internships.



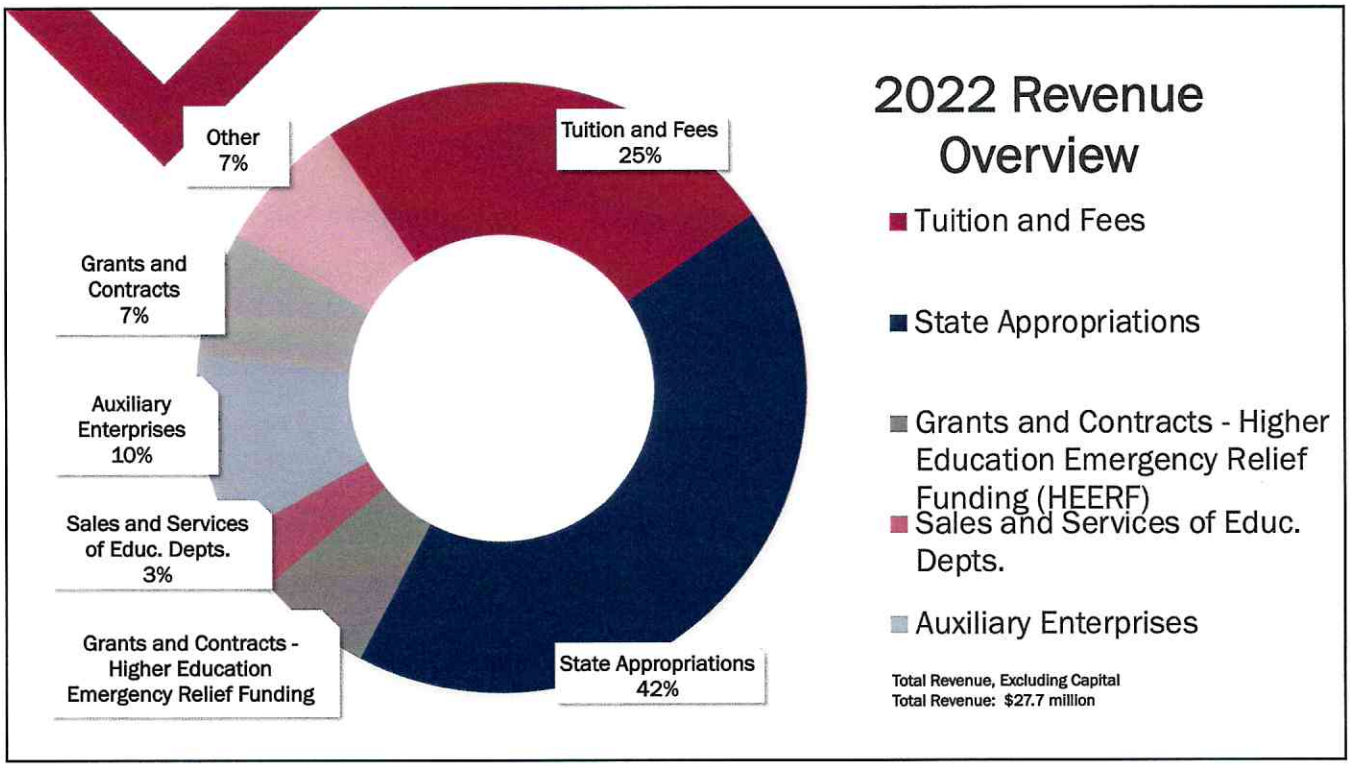

**Strong Financial Standing**

VCSU had a solid CFI in 2021 of 5.72 which increased from 2.55 in 2020.

Last year, we had one minor financial audit finding due to new General Accounting Standards Board standards. One of our funds was misclassified under the new standards and that was immediately corrected to be in compliance. Prior to that, VCSU had six years of no financial audit recommendations.

During the last Operational audit with ND state auditor's office, we did receive a finding regarding procurement. We have created a centralized procurement process for campus that is being rolled out this year and will help maintain records during turnover and keep a closer eye on required procurement thresholds.

Campuses are required to hold in reserves no lower than 5% and up to 7% in undesignated reserves. As of June 30th, 2022, VCSU has a strong undesignated reserve of 7%.




## Revenue Overview

This chart shows VCSU's revenue sources from for fiscal year 2022.

As you can see, the 42% of our revenue is from the appropriation from the State of North Dakota. We are extremely grateful to this body for the continued support and commitment to our students.

The second-largest revenue generator for our campus is Tuition and Fees.

Here is a more detailed breakdown of these revenue numbers.

$6.9 million Tuition and Fees

$11.7 million State Appropriations

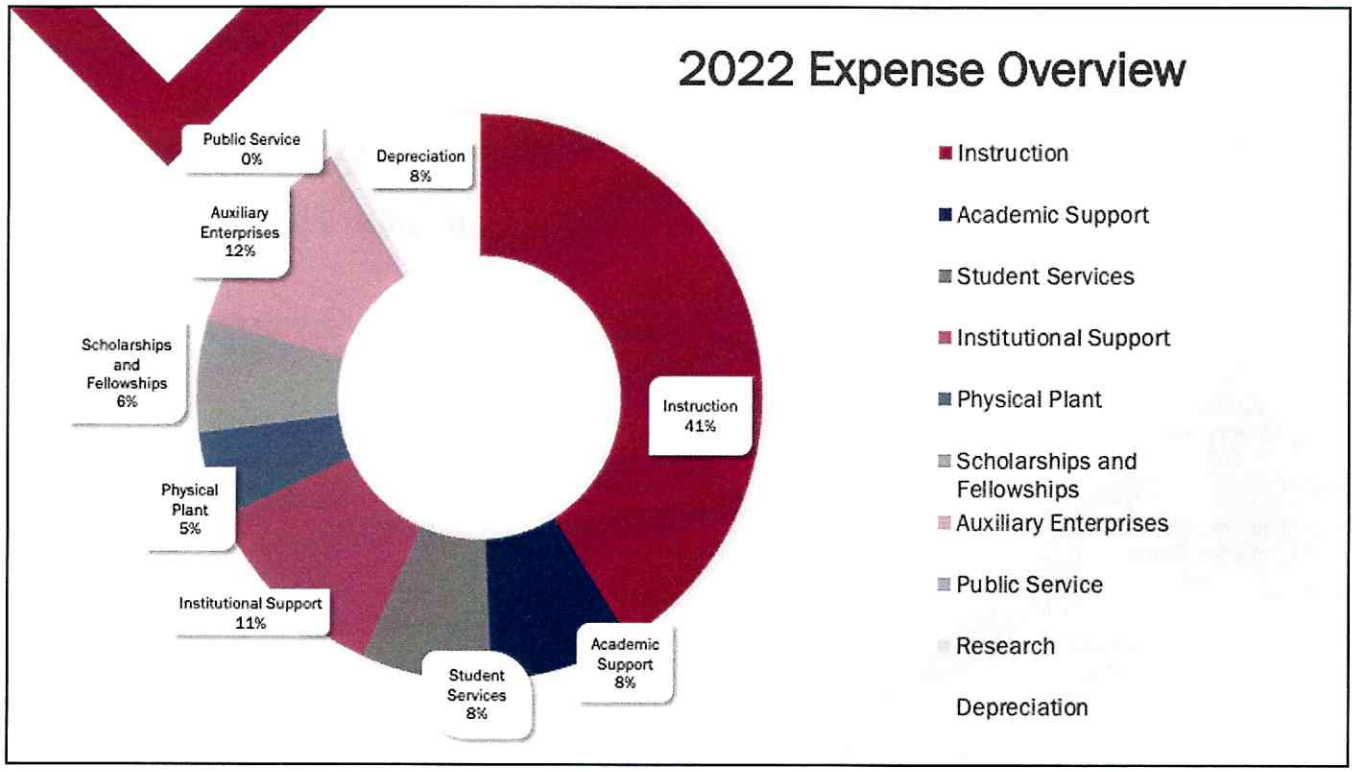
$1.7 million Grants and Contracts - Higher Education Emergency Relief Funding (HEERF)

$.9 million Sales and Services of Educ. Depts.

$2.7 million Auxiliary Enterprises

$1.8 million Grants and Contracts

$2.0 million Other




## Expense Overview

This chart shows the breakdown of VCSU's 2022 expenses.

Here is a more detailed breakdown of these revenue numbers.

$11.6 million Instruction

$2.3 million Academic Support

$2.1 million Student Services

$3.2 million Institutional Support

$1.4 million Physical Plant

$1.8 million Scholarships and Fellowships

$3.3 million Auxiliary Enterprises

$.02 million Public Service

$.02 million Research

$2.3 million Depreciation

# Extraordinary Repairs on Campus

| Match Calculation | State Fund | VCSU Match | Total |
|---|---|---|---|
| 2:1 Extraordinary Repair | $408,318 | $816,636 | $1,224,954 Matched |
| Tier 2 - 1:1 | $309,137 | $309,137 | $618,274 Matched 200,000 |
| Tier 3 - 2:1 | $500,000 | $1,000,000 | $1,500,000 Pending Match |
| Total | $1,217,455 | $2,125,773 | $3,343,228 |
| Total Matched and Available | | | $1,624,954 |

## Planned Projects

| | |
|---|---|
| McFarland Clock Tower Repairs | $85,000 |
| Classroom and Hallway Remodels in McFarland Hall | $100,000 |
| Press Box Repairs/Stadium ADA Updates | $640,000 |
| Other projects to be added after completion and budget update | |

| Future Project Descriptions | Category | ESTIMATE |
|---|---|---|
| McFarland Fire Alarm Upgrade (to complete building upgrade) | LS | $100,000 |
| Field House Emergency Power | LS | $60,000 |
| Replace McFarland Fire Escape (East) | LS | $330,000 |
| Card Access on other buildings | LS | $100,000 |
| Footbridge Structural Repairs | DM | $276,500 |
| Campus Tuckpointing | DM | $2,800,000 |
| McFarland Window Replacement | DM | $2,454,850 |
| Sidewalk Replacement | DM | $75,000 |
| Total future planned deferred maintenance | | $6,196,350 |

VALLEY CITY STATE UNIVERSITY

## The Importance of Tier Funding

VCSU is in support of the Tier funding match requirement changes to a 1:1 match asked by NDUS. The North Dakota House of Representatives approved this change.

Being able to access tier dollars more quickly would go a long way to addressing the needs of VCSU. As a historic campus, we are stewards of many aging facilities. We take this responsibility seriously and have a comprehensive list of deferred maintenance and life safety projects on our campus that, once completed, will directly benefit our students.

During the 21-23 biennium, we have been able to match $1,016,636 of the $2,125,773 match required to access all of the tier dollars. Therefore, we have only been able to utilize $1.6 million of the $3.3 million available to VCSU.

# Budget Request Overview

| | General Funds | Special Funds |
|---|---|---|
| 2021-23 Appropriation / Authority | $24,161,377 | $26,377,846 |
| Current Funding Formula Increase due to Credit Production | $480,872 | |
| Cost to Continue 21-23 Salary Adjustment | $114,005 | $120,170 |
| Total 2023-25 Base Budget Request | $24,756,254 | $26,498,016 |
| Additional Requests | | |
| Behavioral Health Initiative | $236,000 | |
| Teacher Workforce McCarthy Project* | $11,500,000 | $2,000,000 |
| Capital Campaign Projects | | $22,000,000 |
| Total optional requests | $11,736,000 | $24,000,000 |
| **Total Request** | **$36,492,254** | **$50,498,016** |

## Budget Overview

The VCSU 21-23 Base level state funding is $24,161,377, of which $408,000 is set aside for our 2:1 match for capital assets and an additional $47,823 for equipment purchases on campus.

Our requested adjustments would increase our budget by $594,877. This is made up of two parts. First, the funding formula increases our state funding by $480,872 due to our increase in completed credit hours. Secondly, we are asking for an increase of $114,005 to continue the cost of raises during the 21-23 biennium for our employees.

In our special fund authority, we request an increase of $120,170 to continue the cost of raises during the 21-23 biennium for our employees paid through these funds.

VCSU also asks for spending authority of our Capital Campaign fundraised dollars of $22 million. These funds will be used to fund two important projects for our campus: a much-needed addition to our Osmon Fieldhouse and updates to the Memorial Student Union.

## One-Time Funding Requests

North Dakota has a critical shortage of teachers in all K-12 content areas. VCSU leads the state in teacher preparation. 1,514 educators in 151 North Dakota communities are VCSU alumni.

VCSU is committed to bringing our nationally-recognized School of Education and Graduate Studies under the same roof in McCarthy Hall. Classrooms and lab spaces will be designed with flexible seating and updated technology which would be similar to what students will encounter in real-world school environments. The layout will also incorporate a large student workroom, curriculum library, and numerous study spaces.

Based on preliminary design, the total cost of the project is estimated at $13.5 million. VCSU is requesting $11.5 million to renovate McCarthy Hall for the School of Education and department of Technology. VCSU will contribute approximately $2 million in private donations. The North Dakota House of Representatives approved the Teacher Workforce McCarthy Project at $11.5 million.

This teacher workforce development project will eliminate more than $8 million of deferred maintenance. No new faculty or staff will be necessary for this project. This project will enhance the high-quality educational experience students receive at VCSU while helping attract future teachers to the North Dakota workforce.

# Valley City State University

Comparison of 2021-23 Base Budget
to 2023-25 SBHE Request, Executive & House Recommendation

| | 2021-23 Base Level | Requested Adjustments | 2023-25 SBHE Needs-Based Budget | Executive Recommendation | House Reccomendation | Difference between House Recommendation and 2021-23 Base Level | House Difference from SBHE Needs-Based Budget |
|---|---|---|---|---|---|---|---|
| Campus Operations | $50,083,400 | | $50,083,400 | $50,083,400 | $50,083,400 | | $0 |
| Funding Formula Adjustment | | $480,872 | $480,872 | $480,872 | $480,872 | $480,872 | $0 |
| Costs to Continue Salaries/FB | | $234,175 | $234,175 | $234,175 | $234,175 | $234,175 | $0 |
| Behavioral Health Initiative | | $236,000 | $236,000 | $0 | $236,000 | $236,000 | $0 |
| Engrossed HB1003 Compensation 4%/4% and Health Insuance for general fund and tuition | | | $0 | $3,138,342 | $3,911,720 | $3,911,720 | $3,911,720 |
| Total Campus Operations | $50,083,400 | $951,047 | $51,034,447 | $53,936,789 | $54,946,167 | $4,862,767 | $3,911,720 |
| Capital Assets | $455,823 | $0 | $455,823 | $455,823 | $455,823 | $0 | $0 |
| Plant Improvement Carryover | $0 | $0 | $0 | $0 | | $0 | $0 |
| Capital Projects - Non-State Funded | $0 | $0 | $0 | $0 | | $0 | $0 |
| Capital Projects - Non-State Carryover | $0 | $0 | $0 | $0 | | $0 | $0 |
| Total Appropriation | $50,539,223 | $951,047 | $51,490,270 | $54,392,612 | $55,401,990 | $4,862,767 | $3,911,720 |
| General Fund | $24,161,377 | $830,877 | $24,992,254 | $26,330,261 | $27,587,300 | $3,425,923 | $2,595,046 |
| Special Funds | $26,377,846 | $120,170 | $26,498,016 | $28,062,351 | $27,814,690 | $1,436,844 | $1,316,674 |
| Total Funding Sources | $50,539,223 | $951,047 | $51,490,270 | $54,392,612 | $55,401,990 | $4,862,767 | $3,911,720 |
| FTE | 202.77 | 10.17 | 212.94 | 211.94 | 211.94 | 9.17 | -1 |

## Comparison

We support the executive recommendation of a 6% and 4% raise and the request for the increases to be funded by general dollars. We support the recommendation by the North Dakota House to utilize the general fund to cover the gap that would occur due to the proposed tuition freeze.

VCSU has seen increased cost during the last biennium due to inflation in many areas. One example of this is our Rainbow Gas contract, VCSU saw an increase from fixed price of $3.97/ unit in 2021 to $7.92/unit in 2022 which may be a $150,000 direct impact to our reserves. VCSU is in support of the NDUS inflation formula adjustment request of 7.5%.

Additionally, we support the behavioral health initiative proposed by NDUS and recommended by the Executive budget. The VCSU portion of this initiative is $236,000. During the past two academic years, our students have had an increased wait time to be seen by behavioral health staff due to increased numbers seeking services as well as difficulties in filling an open counselor position. The behavioral health initiative would support 1 FTE for a mental health provider and professional development trainings to help VCSU meet the needs of its students. The North Dakota House of Representatives has approved this as a one-time need and VCSU is requesting this as an ongoing cost as it would be, if approved, tied to a FTE.

FTE counts from last biennium to this have increased on campus. These additions to FTE since the previous budget cuts have been fueled by student growth and have been made strategically, not by bringing back positions in the areas that have been cut, but instead by focusing on areas of strategic importance in academic growth areas, health service, mental health, diversity, and adjunct and dual credit instructors.

# Valley City State University

Comparison of 2021-23 Base Budget
to 2023-25 SBHE Request, Executive & House Recommendation

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|---|---|---|---|---|---|---|---|
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| Funding Formula Adjustment | | $480,872 | $480,872 | $480,872 | $480,872 | $480,872 | $0 |
| Costs to Continue Salaries/FB | | $234,175 | $234,175 | $234,175 | $234,175 | $234,175 | $0 |
| Behavioral Health Initiative | | $236,000 | $236,000 | $0 | $236,000 | $236,000 | $0 |
| Engrossed HB1003 Compensation 4%/4% and Health Insuance for general fund and tuition | | | $0 | $3,138,342 | $3,911,720 | $3,911,720 | $3,911,720 |
| **Total Campus Operations** | **$50,083,400** | **$951,047** | **$51,034,447** | **$53,936,789** | **$54,946,167** | **$4,862,767** | **$3,911,720** |
| Capital Assets | $455,823 | $0 | $455,823 | $455,823 | $455,823 | $0 | $0 |
| Plant Improvement Carryover | $0 | $0 | $0 | $0 | | $0 | $0 |
| Capital Projects - Non-State Funded | $0 | $0 | $0 | $0 | | $0 | $0 |
| Capital Projects - Non-State Carryover | $0 | $0 | $0 | $0 | | $0 | $0 |
| **Total Appropriation** | **$50,539,223** | **$951,047** | **$51,490,270** | **$54,392,612** | **$55,401,990** | **$4,862,767** | **$3,911,720** |
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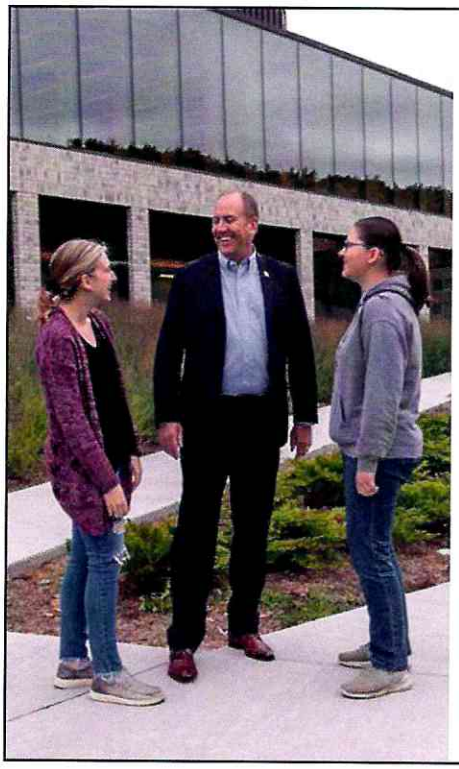


## Forward Together

- Support student success in and out of the classroom
- Improve quality of academic offerings and explore additions of innovative programs
- Provide support for best practices in online teaching and learning environment
- Continue strategic work to positively impact enrollment, retention, and completion

**Let's Move Forward Together**

Overall, VCSU is in a great place. We are achieving student success on multiple levels and continuing to improve our academic offerings to ensure students are getting the highest-quality education.

Our entire team is working on best practices to offer high-quality teaching and learning.

VCSU is one of the fastest-growing regional schools in the upper Midwest and we continue to have sustained enrollment growth, but that success and growth have helped us realize our current facilities are well-loved, but inadequate. McCarthy Hall is a prime example. With our Forward Together focus, we are making a monumental effort to propel VCSU into the future. The Campaign for Valley City State University is our way of ensuring continued service to our students by providing them with updated campus buildings and scholarship enhancements.

Thank you for your time today and I look forward to partnering with you to continue supporting North Dakota's future workforce.

**Thank You for your Time**

Thank you, again, for your support of VCSU and Higher Education in ND.

We support the NDUS needs-based budget request and are proud to play a part in the overall success of higher education in North Dakota.

**Paige Fettig, '18 - 4th Grade Teacher**

Good morning! My name is Paige Fettig and I am a Bismarck native. I grew up here and attended K-12th grade in Bismarck Public Schools and graduated from Century High School in 2014.

I decided to attend VCSU after a Viking Visit Day because the campus and the staff made an impression on me. I knew VCSU had a reputation for having the best education program in the state, but after visiting with professors that day, I felt that had been confirmed. I was welcomed and valued and could hear the passion in their voices as they spoke about the program and what it had to offer. I knew I would be in good hands.

I cherish the time I had in Valley City. I graduated in 2018 with a bachelors in elementary ed with a few endorsement certificates under my belt. I had accepted a teaching position in Bismarck that May and have been teaching 4th grade in BPS now for 5 years. When I left my classroom this morning I had taught a lesson about reading fluency and when I return we'll jump right into sound waves. Being away from my students during the day makes me anxious, but the reason I'm here today is very important.

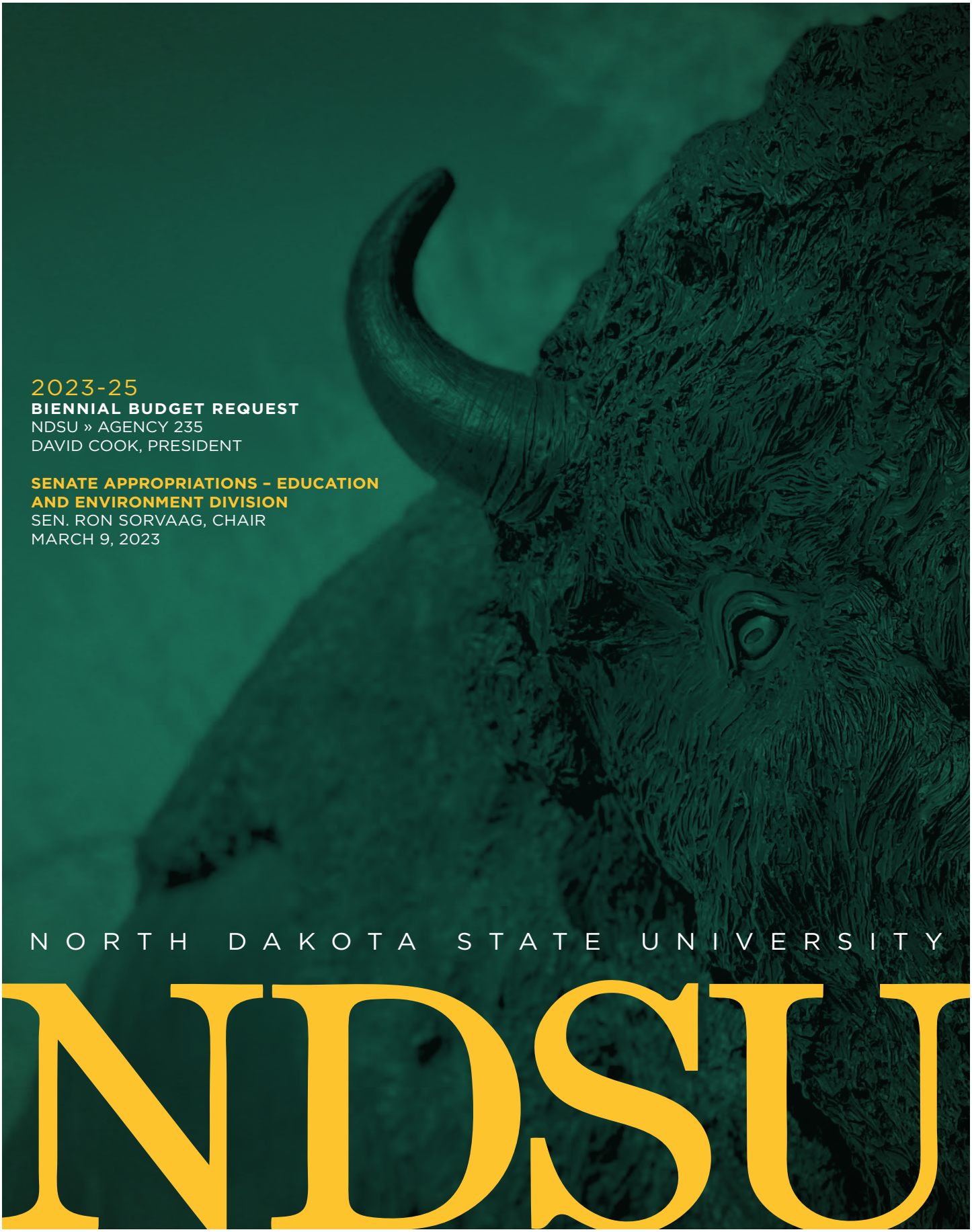
As I had said before, VCSU's education program has a reputation for being the best. But in order to stay at the top of the pack, the facilities need to be updated. McCarthy Hall has many of the education classes. It is one of the oldest building on campus and in desperate need of basic renovations such as the heating system. I remember when we'd have classes McCarthy, the heater would make the loudest banging noises and just operate at a level that would become too distracting for class and we'd end early. We were limited to the classrooms we could use because many of them didn't have the technology for us to project from laptops for presentations.

The environment in McCarthy is very "old school" for lack of better terms. It's that stereotypical image of a schoolhouse that comes to mind with chalkboards and rows of desks. McCarthy actually still has chalkboards! Schools today don't resemble that at all. Many classrooms have multiple options for seating, gathering spaces, and quiet heaters. Even smart boards have become obsolete and smart projectors have been installed so a regular whiteboard can become interactive when the projector is on.

I felt very prepared for my role as a classroom teacher with the learning I did at VCSU. My time there gave me the knowledge I needed not only to teach well, but also to understand how students learn. The term "students" doesn't just apply to elementary age children, it also includes adults. Learners need comfortable and welcoming environments to engage in content. They need their surroundings to be conducive to their learning needs. They need a space that allows for collaboration and communication... and to not be interrupted by banging heaters.

Currently, the education offices are in McFarland Hall, along with some faculty offices. While other offices and classes take place in McCarthy. The renovations to McCarthy will also create a more cohesive program due to the proximity of the entire department. Having a central location will allow for easier collaboration and a stronger sense of community.

We know that teacher retention has taken a big hit over the last few years. Every district is feeling it, including my own. It's imperative that we do what we can to encourage those interested in education to pursue their interests and masters of their craft. By supporting VCSU and the McCarthy renovation, you'll be helping new teachers find their passion for education, which will in turn inspire young students to find their passion for learning.



2023-25
**BIENNIAL BUDGET REQUEST**
NDSU » AGENCY 235
DAVID COOK, PRESIDENT

**SENATE APPROPRIATIONS – EDUCATION AND ENVIRONMENT DIVISION**
SEN. RON SORVAAG, CHAIR
MARCH 9, 2023

NORTH DAKOTA STATE UNIVERSITY

# NDSU

SUGIHARA HALL

North Dakota State University is pleased to submit for consideration this agency review and summary for the 2023-25 biennial budget request.

# INTRODUCTION

NDSU has a longstanding commitment of bringing educational opportunities and research solutions to the people of North Dakota. Our commitment remains focused on affordable access to a high-quality education for our students and serving state interests in a manner demonstrating sound stewardship and accountability.

NDSU is proud to support the state's agriculture industry, while also excelling in engineering, health professions, pharmaceutical, biological and physical sciences. As the SBHE's designated site for high-performance computing, NDSU's Center for Computationally Assisted Science and Technology (CCAST) provides the super-computing facilities and staffing backbone for those data intensive disciplines, and is critical to key North Dakota initiatives, particularly in the UAS industry.

Our graduates enjoy an exceptional job placement rate in their fields of study, exhibit a high level of residency in the state after graduation, and make significant contributions to the state's tax base. The university's research success has led to federal research and development expenditures, licensing revenues and new business growth, resulting in job creation and a diversified economy.

As NDSU continues to evolve and grow, we also continue our commitment to affordability, efficiency and productivity. We look forward to addressing the needs and aspirations of North Dakota.

# NDSU AT A GLANCE

**699**
RANKED FACULTY AND LECTURERS

**1,712**
FULL-TIME EMPLOYEES

**12,242**
FALL 2022 ENROLLMENT

## WHAT WE'RE ABOUT

### VISION
To lead the advancement of our land-grant ideals through innovative education, research, and outreach.

### VALUES
NDSU is committed to shared governance, transparency, responsible decision-making, and a sustainable future. Our core values include: collegiality, inclusivity, community, creativity, excellence, impact, innovation, integrity, resilience, responsiveness and transformation.

### GOALS/OBJECTIVES
Provide transformational educational and research opportunities for our students, state and world.

## WHO WE SERVE

### STUDENTS
We're focused to retain/retrain/recruit the next generation of workforce and entrepreneurs.

### THE COMMUNITY
NDSU supports and works with local leaders from the city of Fargo and Chamber of Commerce to contribute and ensure the success of our community.

### STATE OF NORTH DAKOTA
Through workforce development, community and tribal engagement, NDSU fulfills our land grant mission for an educated citizenry.

### THE WORLD
NDSU's research activities lead to the next generation of innovations and knowledge.

## WHAT WE'RE PROUD OF

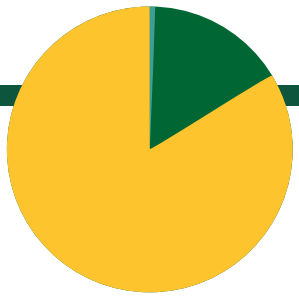
### STUDENT FOCUSED
High-quality academic programs

Sustained delivery during the pandemic, students continued to make progress toward degree completion

Innovative learning with face-to-face, online and hyflex delivery.

### LAND GRANT
Faculty and student engagement in state and community service that enhances the public good.

### RESEARCH
World-class faculty researchers, creating public/private partnerships leading to economic diversification and workforce innovation and advancement.



## TOTAL AGENCY 2021-23 BUDGET: $1.0B

● GENERAL: $164.1M ● SPECIAL: $839.5M ● ND CARES: $2.1M

## HOW WE MEASURE SUCCESS

### STUDENT SUCCESS

- 3.17 avg NDSU student GPA
- 1,435 degrees awarded 2020-21
- 92% Undergrad career success (2021)
- 94% Graduate career success (2021)

### WORKFORCE DEVELOPMENT

Offer degree programs in hard to find jobs in ND.

- Engineering
- Nursing
- Software Engineering
- Security Engineer/ Analyst

### FINANCIAL HEALTH AND STEWARDSHIP

- Aa3 issuer-Moody's Investors Service (Nov 2021)
- AA-/Stable: S&P affirmed (April 2021)
- FY21 Composite Financial Index (CFI) = 5.30

## PROGRAM HIGHLIGHTS

### COLLEGE OF ENGINEERING

Mechanical, Civil, Environmental, Industrial, Biomedical Engineering programs. Computer Science, Cybersecurity, Autonomous systems, Robotics, Software Engineering.

### COLLEGE OF AGRICULTURE, FOOD SYSTEMS, AND NATURAL RESOURCES

Animal Science, Agribusiness, Ag Econ, Plant Science, Crop and Weed Science, Vet Tech, Microbiology.

### COLLEGE OF BUSINESS

Business Admin, Marketing, Finance, Accounting Management Info Systems, MBA, Transportation and Logistics, Supply Chain Management.

### COLLEGE OF SCIENCE AND MATHEMATICS

Biological Sciences, Psychology, Biochemistry and Molecular Biology, Chemistry, Statistics, Geology, Mathematics.

### COLLEGE OF HEALTH PROFESSIONS

Pharmacy, Pharmaceutical Sciences, Pharmacy Practice, Nursing, Allied Health, Public Health.

### COLLEGE OF ARTS, HUMANITIES AND SOCIAL SCIENCES

Architecture, Landscape Architecture, Fine Arts, Political Science, Criminal Justice, History, English, Emergency Management, Communication.

### COLLEGE OF HUMAN SCIENCES AND EDUCATION

Teacher Education and Educational Leadership, Counselor Education, Sport Management, Human Development and Family Science, Interior Design, Exercise Science, Apparel, Retail Merchandising and Design.

# MAJOR ACCOMPLISHMENTS

1. NDSU helps fulfill the state's workforce needs by enrolling the largest number of face-to-face students of any institution in the NDUS. Each of these students was either a North Dakota resident retained in the state or an out-of-state student recruited to physically come to North Dakota. Not only will these students be the state's next generation of leaders and entrepreneurs, but while they are in college, they (along with their families) provide multiple years of beneficial economic impact for the state by working service jobs, paying rent and other living expenses and having their families visit.

2. NDSU has more graduates in numerous high-demand fields than any other institution in the NDUS including engineering, computer/information science and nursing.

3. NDSU has the highest four- and six-year graduation rates among the four-year institutions in the NDUS.

4. NDSU achieved post-graduation success rates (employment/graduate study) of 92 percent for undergraduate students and 94 percent for graduate students.

5. Among NDSU's recent graduates, 80% who started NDSU as a North Dakota resident were working in North Dakota after graduation and 41% who started NDSU as a Minnesota resident were working in North Dakota after graduation.

6. In 2021, NDSU completed the largest fundraising campaign in school and state history totaling $586.7 million. In addition, the endowment grew from $82 million in 2010 to $457 million in 2021.

7. NDSU completed construction of Sugihara Hall, which is a laboratory intensive building with approximately 105,000 square feet that houses Chemistry, Biochemistry and Earth, Environmental, and Geospatial Sciences. In addition, NDSU started construction of the Peltier Complex, which will support a wide range of research involving food science, meat science, muscle biology, food safety, nutrition, consumer sensory traits and the development of new agricultural products. Designed to meet federal and state food processing and food handling regulations, the center's labs will expand research grant opportunities and partnerships with federal and state agencies.

8. NDSU's athletics program is ranked among the best overall NCAA Division-I programs in the nation. The new Nodak Insurance Football Performance Complex is expected to open in the fall of 2022. The entire cost of the estimated $50 million building project is being privately funded, including a lead gift from Nodak Insurance Company, which was awarded naming rights.

ENVIRONMENTAL ENGINEERING LAB

# CRITICAL ISSUES

NDSU serves the state and its workforce needs in two primary ways: (1) retaining North Dakota students in the state, recruiting out-of-state students and retraining non-traditionally aged students; and (2) conducting world-class applied research that helps strengthen and diversify North Dakota's economy.

In serving this mission, NDSU's has many strengths including productive faculty, good name recognition, national visibility and an attractive surrounding community. However, numerous critical issues exist which may materially impact NDSU's operations:

1. Enrollment has been steadily declining since 2017, this has resulted in a decrease in student credit hour production under the Higher Education Funding Formula which has resulted in a base budget decrease of $7.5M for the upcoming 2023-25 biennium.

2. Inflationary pressures and workforce competition are affecting NDSU's ability to retain existing faculty, staff and recruiting top talent.

3. Enhanced, modern laboratory and fabrication space for Engineering and AG Engineering key program areas (precision agriculture, cybersecurity, robotics, artificial intelligence, biomedical engineering, environmental engineering) is vital to enroll, retain and graduate students to make them successful on the job when they enter the workforce today and in the future. Modernized facilities will also promote interdisciplinary collaboration for faculty to be productive and advance research opportunities in these vital program areas.

4. Due to increasing competition to apply for federal research grant opportunities, NDSU needs to modernize dated instructional and research lab space, and technology infrastructure to continue to provide experiential education for students as well as prioritize our R-1 Carnegie Classification status in support of our land grant mission to meet the aspirational and economic needs of ND.

   We are requesting ongoing base funding for continued access to high speed research and education network resources with connectivity, maintain cybersecurity control standards, computational research tools and methods to support cybersecurity, artificial intelligence and quantum computing programming efforts.

5. Request modification to the Higher Education Funding Formula to reinstate a base funding minimum amount payable (NDCC 15-18.2-06), this would provide additional time to allow for evaluation and strategic planning for reductions in fixed programmatic and operational costs.

6. Affordability. Request consideration for additional base funding, provided through the HE Funding formula, in an amount to defray salary and operational costs so NDSU does not have to increase tuition for students during 2023-25. As student demographics change, many state markets have changed their strategy to compete for student enrollment and have not increased their tuition rates. This has created a difficult enrollment and pricing environment with future potential reciprocity agreement changes. Additional base funding to support affordable tuition pricing will provide a competitive recruiting advantage and support our land grant mission.

# FALL 2022 ENROLLMENT

MUSIC CLASS

| | Undergraduate | Professional | Graduate | Grand Total |
|---|---|---|---|---|
| **NORTH DAKOTA** | **4,248** | **118** | **948** | **5,314** |
| Cass | 2,204 | 65 | 704 | 2,973 |
| Burleigh | 558 | 16 | 52 | 626 |
| Morton | 134 | 3 | 15 | 152 |
| Ward | 126 | 1 | 15 | 142 |
| Grand Forks | 121 | 6 | 19 | 146 |
| Richland | 108 | 2 | 14 | 124 |
| Stutsman | 82 | | 8 | 90 |
| Stark | 76 | | 10 | 86 |
| Traill | 66 | 2 | 3 | 71 |
| Walsh | 57 | 3 | 5 | 65 |
| Barnes | 55 | 2 | 8 | 65 |
| Williams | 50 | 3 | 9 | 62 |
| Mercer | 35 | | 3 | 38 |
| Dickey | 32 | 1 | 4 | 37 |
| Ransom | 31 | | 3 | 34 |
| Sargent | 30 | | 2 | 32 |
| Lamoure | 29 | 2 | 2 | 33 |
| McLean | 28 | 1 | 2 | 31 |
| Emmons | 25 | | 8 | 33 |
| Ramsey | 25 | 2 | 13 | 40 |
| McHenry | 23 | 1 | 2 | 26 |
| McKenzie | 23 | | 4 | 27 |
| Pierce | 22 | 1 | | 23 |
| Foster | 21 | 1 | 2 | 24 |
| Bowman | 20 | | 2 | 22 |
| Wells | 20 | | 1 | 21 |
| Pembina | 20 | | 3 | 23 |
| Mountrail | 19 | 1 | 4 | 24 |
| Bottineau | 18 | 1 | 5 | 24 |
| Benson | 17 | | 4 | 21 |
| Rolette | 17 | | 2 | 19 |
| McIntosh | 16 | 1 | 3 | 20 |
| Cavalier | 15 | 1 | 1 | 17 |
| Eddy | 14 | | 2 | 16 |
| Hettinger | 12 | | 1 | 13 |
| Renville | 12 | | 1 | 13 |
| Nelson | 10 | | 2 | 12 |
| Grant | 9 | | | 9 |
| Steele | 7 | | 3 | 10 |
| Griggs | 7 | 1 | | 8 |
| Kidder | 7 | | 1 | 8 |
| Oliver | 6 | | 1 | 7 |
| Adams | 6 | | 1 | 7 |
| Dunn | 5 | | | 5 |
| Golden Valley | 5 | | | 5 |
| Logan | 5 | | | 5 |
| Burke | 4 | | | 4 |
| Towner | 4 | | 1 | 5 |
| Sioux | 4 | | 1 | 5 |
| Divide | 4 | 1 | | 5 |
| Billings | 2 | | | 2 |
| Sheridan | 2 | | 1 | 3 |
| Slope | | | 1 | 1 |
| **MINNESOTA** | **5,018** | **111** | **333** | **5,462** |
| **OTHER** | **830** | **15** | **621** | **1,466** |
| **TOTAL** | **10,096** | **244** | **1,902** | **12,242** |

# PERFORMANCE INDICATORS

| RETENTION | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---|---|---|---|---|---|
| First-year retention | 78.90% | 78.90% | 82.00% | 76.10% | 75.20% |
| Second-year retention | 71.35% | 71.05% | 72.09% | 71.10% | 68.80% |
| | | | | | |
| 4 year graduation rate | 37.80% | 41.22% | 43.27% | 44.70% | 46.30% |
| 6 year graduation rate | 57.60% | 60.32% | 62.33% | 64.90% | 63.20% |
| | | | | | |
| **OTHER INDICATORS** | **2018-19** | **2019-20** | **2020-21** | **2021-22** | **2022-23** |
| Student-faculty ratio | 19:1 | 18:1 | 19:1 | 16:1 | |
| Percentage of first-year students taking at least 15 credits | 83% | 81% | 71% | 73% | 65% |
| Degrees awarded | 3,075 | 3,194 | 3,088 | 2,937 | |

ATHLETIC TRAINING

# NDSU RESEARCH OVERVIEW

THE NATIONAL SCIENCE FOUNDATION RANKED NDSU 99 AMONG ALL PUBLIC INSTITUTIONS, 141 AMONG ALL INSTITUTIONS AND 110 AMONG NON-MEDICAL SCHOOLS.

BIOLOGICAL SCIENCES BEE RESEARCH

## WHY IS NDSU'S R1 STATUS IMPORTANT?

NDSU is one of only 146 universities designated as a Research 1 (R1) research institution in the United States by the Carnegie Classification of Institutions of Higher Education. The R1 classification is recognized nationally as the highest benchmark of research excellence. NDSU's R1 status signifies that we are at the forefront of cutting-edge research. NDSU is conducting research for the state of North Dakota and the region at the highest possible level, making it one of the best national research institutions. The R1 designation is critical because:

- NDSU attracts the best and brightest faculty, students, and staff to the university.
- It provides NDSU with opportunities to lead such research endeavors as the multimillion-dollar National Science Foundation Great Plains I-Corps Hub.
- NDSU can enhance high-tech innovation and industry in the region.

NDSU's R1 status allows the university to provide its students with the most current knowledge in many areas while competing and partnering with other research powerhouse institutions (some that are twice our size). NDSU is one of four R1 institutions in this region, including the University of Minnesota, Montana State University, and the University of Montana.

**1,262**
PROPOSALS

**FY21 PROPOSALS PROCESSED THROUGH SPONSORED PROGRAMS ADMINISTRATION**

| | |
|---|---|
| Private sector | 69 |
| Commodity Groups | 289 |
| Federal agencies | 526 |
| Foundations | 214 |
| Other | 5 |
| Other Governmental Offices | 29 |
| State/Local | 130 |
| **TOTAL** | **1,262** |

CIVIL ENGINEERING

## NDSU'S RESEARCH AND COMMERCIALIZATION FRAMEWORK

- Research 1 (R1) designation
- Research success in key areas
- Innovation and the NDSU Research Foundation
- Entrepreneurship
- The NDSU Research & Technology Park
- NDSU's land grant mission

NDSU continues to invest strategically in four areas in which it has had continued growth and success:

» Food, Energy and Water Security

» Cybersecurity, Computer Science and Software Engineering

» Life Sciences

» Entrepreneurship and Innovation

## RESEARCH ACCOMPLISHMENTS IN KEY AREAS

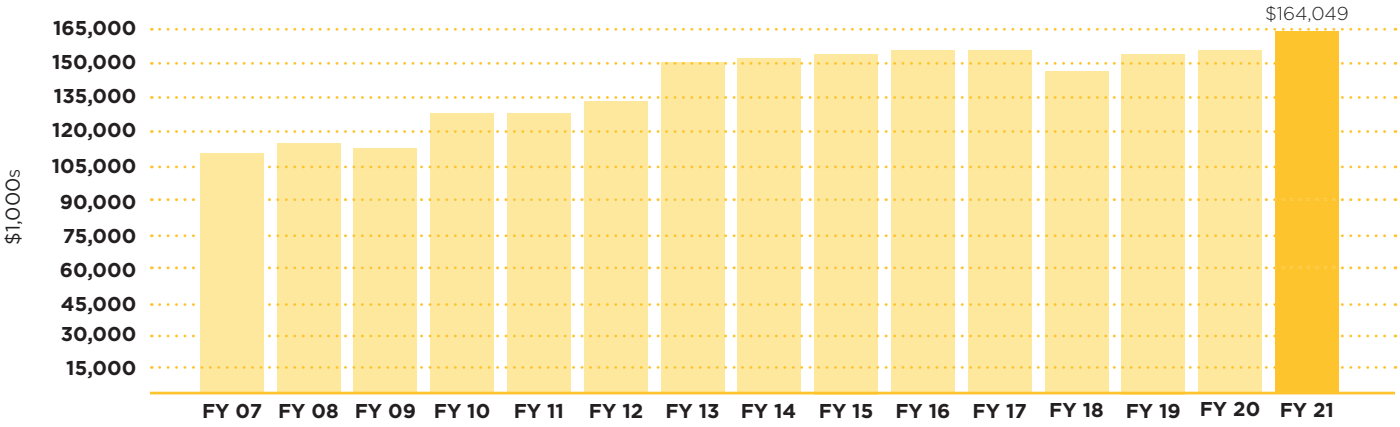
From a federal perspective, NDSU leads all North Dakota higher education institutions in research expenditures from the U.S. Departments of Defense, Transportation, Agriculture, and the National Science Foundation.

NDSU's top category rankings among all research universities in the country, according to the FY21 National Science Foundation Higher Education Research and Development Survey include:

**#14** Materials Science
**#16** Agricultural Sciences
**#20** Business Management and Business
**#25** Natural Resources and Conservation
**#29** Economics
**#43** Inter-disciplinary Sciences
**#72** Industrial and Manufacturing Engineering
**#98** Social Sciences
**#99** Civil Engineering
**#109** Life Sciences

## GROWTH OF NDSU RESEARCH AND DEVELOPMENT EXPENDITURES

MORE THAN $2.425 BILLION IN RESEARCH EXPENDITURES SINCE FY2004; $164 MILLION IN FY2021




**Source:** National Science Foundation Higher Education Research & Development Survey

## RECENT AWARDS

**1 NSF I-Corps (engineering, business)**
$14 million grant over five years from the National Science Foundation (NSF) to establish a multi-institutional Great Plains Innovation Corps (I-Corps) Hub that will provide immersive, entrepreneurial training for scientists and engineers with the goal of moving ideas to commercialization. David Grewell, Ph.D. is Hub Director and Alan Kallmeyer, Ph.D. is PI.

**2 AI Research Center (computer science, cybersecurity)**
NDSU is leading a cooperative agreement from the National Science Foundation (NSF) into how innovative artificial intelligence (AI) research methodologies across the disciplines of engineering and economics can create solutions to counter problems such as the negative impacts of energy disruptions on the nation's infrastructure. The nearly $6 million award is funded through the NSF EPSCoR Track-2 program and will result in the creation of an AI research center that will work to prepare a knowledgeable workforce with the skills to create tools that leverage AI within a broad cross-section of industries. Ying Huang, Ph.D is PI.

**3 RaMP (biology)**
NDSU has received a Research and Mentoring for Post-baccalaureates (RaMP) in Biological Sciences grant of nearly $2.9 million from the National Science Foundation (NSF). The university is one of only 12 institutions nationwide to receive the award which will provide opportunities for recently graduated undergraduate students to participate in a research lab and develop a network of research mentors across North Dakota. This combination holds promise in fueling the state's STEM workforce while providing the environment necessary to create tomorrow's high-tech industries.

**4 NDSU pancreatic cancer research center (pharmaceutical sciences)**
The NDSU Center for Diagnostic and Therapeutic Strategies in Pancreatic Cancer (CDTSPC) has received Phase 2 funding from the National Institutes of Health (NIH). As a Center of Biomedical Research Excellence (COBRE), the CDTSPC is focused on developing early detection and therapeutic protocols for controlling pancreatic cancer. This award will allow the Center to build upon a previous Phase 1 award, which funded the CDTSPC during the past five years. Phase 2 will provide nearly $2 million annually for the next five years, for a total of $9.7 million. Sanku Mallik, Ph.D. is Director of the center and Sathish Venkatchalem, Ph.D. is Co-Director.

**5 Increasing plant growth through nanotechnology (engineering, food security)**
Achintya Bezbaruah, NDSU professor of civil and environmental engineering and Mohiuddin Quadir, NDSU assistant professor of coatings and polymeric materials are leading a multidisciplinary approach to develop nanotechnology-based phosphorus fertilizers that increase and improve the efficiency of the phosphorus used by plants.

**6 National Science Foundation awards NDSU $1.4 million grant (biology, STEM)**
$1.4 million NSF grant to fund student scholarships for low-income students pursuing a bachelor's degree in biological sciences and creating career and academic support for STEM degree completion. The goal of the project is to increase degree persistence for high-achieving, low-income students from rural areas interested in STEM fields. Angela Hodgson, Professor of Practice, is PI.

**7 Wearable device to predict onset of diabetes (engineering, pharmaceutical sciences, computer sciences)**
$1.4 million NSF multidiscipline research for Danling Wang, assistant professor of electrical and computer engineering, Jen Li, professor of computer science, and Kristine Steffen, professor of pharmaceutical sciences to develop cutting-edge healthcare technology using artificial intelligence and build a smart, wearable device to predict the onset of diabetes by monitoring a patient's own breath without the need for a doctor to interpret the results.

**8 Successful early career faculty**
NDSU faculty have been successful in earning prestigious early career awards that provide them a foundation upon which they can build their research careers and impact students. NSF Career Awards are targeted at scholars who have the potential to serve as academic role models in research and education.

In 2022, three NDSU faculty received NSF Career Awards: Trung Le, Ph.D., Mohiuddin Quadir, Ph.D., and Dali Sun, Ph.D. NDSU has received nearly $15 million in these awards over the last 25 years to conduct research in biology, biochemistry, chemistry, civil and electrical engineering, computer science, geosciences, pharmaceutical sciences, plant sciences, coatings and polymeric materials, and veterinary and microbiological sciences.

**9 NSF RII ND-ACES project**
NDSU is the lead institution on the NSF RII Track-1 ND-ACES: New Discoveries in the Advanced Interface of Computation, Engineering, and Science (ND-ACES) which is pumping $20 million into the state to better understand design rules that govern in vitro biointerfaces and influence in vivo decisions surrounding the understanding of biochemistry and the cell biology of cancer cells and tumors.

**10 NDSU-Sanford Health collaboration funded by NIH**
$6.4 million since 2016 for NDSU-Sanford Health collaboration on obesity-related research funded by the NIH.

# RESEARCH FOUNDATION ACCOMPLISHMENTS

## INNOVATION AND THE NDSU RESEARCH FOUNDATION

NDSU's research has led to notable successes in new patents and plant variety protections. The NDSU Research Foundation has secured 92 patents and earned $3.1 million in intellectual property licensing NDSU's research results in FY21 and FY22. Heartland Forward ranks NDSU at #117 in tech transfer, thanks to our NDSU Research Foundation.

## NOTEWORTHY ACHIEVEMENTS

### Autonomous Farming Patent

Researcher Xin (Rex) Sun was issued a patent for a multifunctional precision agriculture robotic vehicle system that gathers crop information through multiple sensors and artificial intelligence.

The robot is equipped with different sensors and systems that perform a variety of tasks such as spray herbicides and other treatments and quick analysis of farm soil. The artificial intelligence component can help farmers control application of different treatments and save on associated costs.

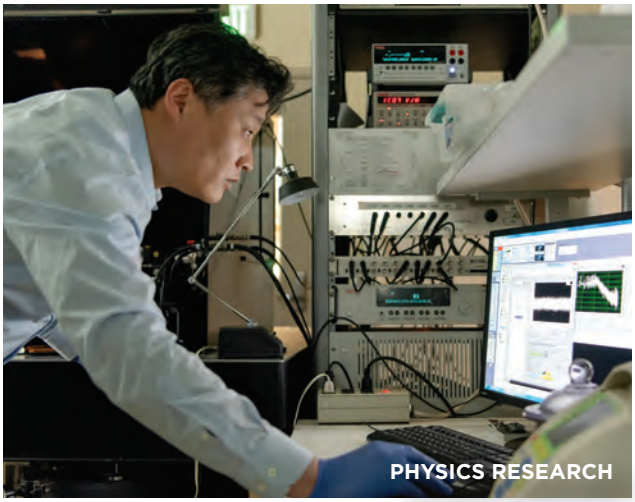
### Food Safety Coating Patent

Researcher Birgit Pruess received a patent for an anti-microbial water-based rinse which can be used to reduce microbial contamination on many surfaces. This non-toxic composition has been tested on ground beef, chicken and vegetables and can enhance food safety and increasing the shelf life of food products and can also be used to clean food processing equipment and handling surfaces.

### Dakota Russet Potato

Researcher Asunta (Susie) Thompson's Dakota Russet Potato was was selected as one of only eight varieties accepted by McDonald's in North America. This extremely resilient variety was developed with the needs of farmers in the Midwest in mind, producing consistently high yields within the shorter growing season and thriving in a wide range of climatic conditions.

POTATO RESEARCH


PHYSICS RESEARCH

PLANT SCIENCES RESEARCH

ELECTRICAL ENGINEERING

**380+**

MORE THAN 380 TECHNOLOGIES UNDER MANAGEMENT

**25+**

AVERAGING MORE THAN 27 POTENTIAL IP WORTHY INVENTION DISCLOSURES PER YEAR IN FY21 AND FY22

**92**

92 TOTAL ISSUED PATENTS
- 60 U.S. ISSUED PATENTS
- 2 U.S. ISSUED PLANT PATENTS
- 39 PENDING PATENT APPLICATIONS
- 37 PENDING PATENT APPLICATIONS

**91**

91 ACTIVE US PVP ISSUED
(includes varieties that are no longer commercially available)
72 ACTIVE US PVP ISSUED
(commercially available varieties)

24 ACTIVE FOREIGN PBR ISSUED
34 ACTIVE US TM ISSUED
20 ACTIVE FOREIGN TM ISSUED

PENDING US PVP = 9
PENDING FOREIGN PBR = 5

**$3.1M**

$3.1+ MILLION IN LICENSING REVENUE FROM NDSU IP IN FY21 AND FY22

## ENTREPRENEURSHIP

NDSU has a long-standing commitment to technology transfer coupled with entrepreneurship training. This has been recently strengthened by the NDSU-led NSF Great Plains I-Corps Hub, a program that directly supports entrepreneurship at NDSU and 7 universities, including our partner UND. Teams with new ideas gain access to entrepreneurship training, mentoring, and customer discovery initiatives. Hub Director David Grewell, Ph.D. and PI Alan Kallmeyer, Ph.D. will lead the program.

I-Corps hubs provide training to research teams to help them bring their ideas from the laboratory to the marketplace. Each I-Corps team has an Entrepreneurial Lead (EL), an Industry Mentor (IM), and a Technical Lead (TL). Over the course of eight weeks, the teams receive entrepreneurial education, mentoring, and funding to accelerate their fundamental research into emerging products and services that can attract subsequent third-party funding.

NSF I-Corps are currently organized into regional Hubs across the nation, with five Hub awards made in 2021. Each Hub consists of a lead institution and seven or more partner institutions. The Hubs consist of universities, researchers, established entrepreneurs, local and regional entrepreneurial communities, and federal agencies.

The new Great Plains Hub is part of a group of five additional Hubs announced by the NSF on Sept. 8, 2022. In addition to NDSU, the new hubs are led by Arizona State University, Cornell University, The University of Texas at Austin, and Vanderbilt University.

### Aldevron

Started at NDSU in 1998; Aldevron sold for $9.6 billion in 2021. Aldevron is a world-class service organization specializing in nucleic acid and protein production and antibody development with operations in the United States and Europe.

## NDSU RESEARCH & TECHNOLOGY PARK

A key component of our future is the NDSU-supported private-public partnership NDSU Research and Technology Park. The Technology Incubator opened in 2007 with 7 clients and since that time more than 70 companies have been located in the facility. Research and Technology Park anchor tenants include premiere ag tech companies John Deere and Appareo. Other growing companies in the park include:

### Genovac

Genovac specializes in antibody discovery and production against challenging targets. Our unique combination of genetic immunization, multiple host species, multiple single B cell platforms, and state-of-the-art production facilities enables us to serve as your one-stop-shop Gene to Antibody partner.

### CorVent Medical

CorVent Medical ventilation system designed to provide ICU-standard respiratory support in an elegant and robust system that removes unnecessary complexity and cost. Reliable solutions that are easy to use for daily and off-the-shelf ventilation so providers can focus on critical patient needs.

INCUBATOR BUILDING

**$9.6B**

**ENTREPRENEURSHIP**

Aldevron started at NDSU in 1998 and sold for $9.6 billion in 2021.

RESEARCH I BUILDING

# RESEARCH CORPORATE PARTNERS

## CORPORATE PARTNERS ENGAGED IN RESEARCH WITH NDSU THROUGH SPONSORED RESEARCH, CAPSTONE PROJECTS AND THE CENTER FOR BIOPLASTICS AND BIOCOMPOSITES IN FY21 AND FY22

3M
Action Fabricating
Adams County Development Corporation
Adaptive Surface Technologies, Inc
ADM
Adventium Labs
Agri Industries Inc.
Akzo Nobel Coatings Inc.
Amazon
American Crystal Sugar Company
American Simmental Association
Applied Technologies Group, Inc
Architecture Technology Corp.
Ardent Mills
AURI
Avery Dennison
BASF Corporation
Bayer Crop Science
Benson Hill Biosystem
BioConsortia, Inc
Biogemma USA Corp
Bioplastics Magazine
Bioscience Association of North Dakota
Blue Cross Blue Shield ND
BNI Energy, LTD.
Boehringer-Ingleheim
Border States Electric
Bobcat Company
Branson Ultrasonics
Brewers Association, Inc.
BTD Manufacturing
Bushel, Inc
Cargill Inc.
Ceres Imaging, Inc.
Chase Steel Services
CHS, Inc.
Clam Outdoors
Clark Equipment Company
CNH Industries
Corteva Agriscience
Coteau Properties Company
Cotton Incorporated
Coyote Creek Mining Company, LLC
Dakota Fiber
Door Stud LLC
Eastman Chemical Company
Elinor Specialty Coatings
Ellingson Companies
eScience & Technology Solutions, Inc.
Evolve Golf
Evonik
Falkirk Mining Company
FargoRate LLC
Farm Credit Services of North Dakota
FAST Global Solutions
Felling Trailers
Ford Motor Company
Fortus Medical
Futamura
GA Group
Garlock Equipment Company
GC Innovation
Great Big Kid Toys
Greater ND Chamber of Commerce
Green Dot Bioplastics
GreenLight Biosciences, Inc.
Hercon Environmental Inc
Horizon Resources
Horn Plastics
Hyundai
Idaho Forest Group Timber LLC
Indigo Agriculture, Inc.
Inwerken AG
iWALKFree, Inc.
J.R. Simplot Company
John Deere & Company
KFH Group
Kimberly-Clark Corporation
Kinesio Taping Association International
Koch Ag & Energy LP
KWS Seeds, LLC
Lignite Energy Council
Longboard Power LLC
M-Base
Macaulay-Brown Inc.
Marvin
Massman Automation Designs, LLC
Meadowlark
Medtronic
Merck Sharp & Dohme LLC
Mid-American Athletic Trainers' Assn
Minn-Dak Growers Ltd
Monsanto Co.
Native American Fiber Program
NatureWorks LLC
Nau Country
ND Corn Council
ND Insurance Reserve Fund
ND Pharmacy Service Corporation
Noridian Healthcare Solutions
Northern Plains Railroad
Northern Plains Sustainable Ag Society
Northwest Green Chemistry
Nuseed
ONEOK, Inc.
OpREMS LLC
Pedigree Technologies LLC
PepsiCo. Inc.
Pioneer Hi-Bred International Inc.
Plain Sight Innovations LLC
Powder Coating Research Group
PPG Industries
Precision Food Equipment, LLC
Premier 1 Supplies
PRx Performance LLC
Purina Mills
Resource Systems Group
RheTech
RWDC
Sanford Health
Scheels Information Services
Shaw
Sherwin Williams
Sheyenne Tooling & Manufacturing
Southpointe Pharmacy
Syngenta Crop Protection Inc.
Synoptic Data Corp.
Tesoro Logistics Operations LLC
toXcel
Triton Systems, Inc.
TSR Parts
UNFI United Natural Foods, Inc
UPL NA Inc.
Valent BioSciences LLC
Valent USA
Valley Fiber Processing Inc.
Verdesian Life Sciences
WCCO Belting
Western Cooperative Credit Union
Western Dakota Energy Association
Westrock
Williams County Ag Improvement Association
Winfield United
Zymergen, Inc.

# AGENCY OVERVIEW

Agency Statutory Authority ND Constitution, Section 215, North Dakota Century Code Chapter 15-12

## DESCRIPTION

NDSU is the state's 1862 land grant institution and serves the state by bringing educational opportunities and research solutions to the people of North Dakota. Our commitment remains focused on affordable access to a high-quality education for our students and serving state interests in a manner demonstrating sound stewardship and accountability. NDSU's success has led to higher national and international visibility, not just for itself but the entire state, and most importantly, more substantial contributions to the success of North Dakota and the nation.

NDSU offers undergraduate, masters and doctoral degrees as well as undergraduate and graduate certificate programs. While the significant majority of its students are in-person, NDSU also offers online options and is committed to expanding its online and hybrid offerings.

NDSU leads the state in the enrollment of first-time freshmen, and remains the largest university in the state in terms of overall full-time enrollment. Our signature programs include Engineering (largest discipline enrollment), Agriculture (largest NDSU research productivity), and Health Professions (2nd largest discipline enrollment with nationally ranked programs for Pharmacy and Nursing).

NDSU collaborates with many institutions across the country and the state. Some of these relationships include research collaborations with other leading research universities throughout the country, administrative service agreements with other institutions within the NDUS whereby NDSU provides administrative support (e.g., payroll) to those institutions, transfer agreements designed to facilitate student transfers within the NDUS, and joint-degree programs where institutions within the NDUS collaborate on degree programs.

As NDSU continues to evolve, adapt and thrive, we also continue our commitment to affordability, efficiency and productivity. That commitment is reflected in the success of our students, local and service region communities and the statewide economic interests we serve. We look forward and remain committed to addressing the needs and aspirations of North Dakota by building on our land grant foundation.

## MISSION STATEMENT

We provide transformational education, create knowledge through innovative research, and share knowledge through community engagement that meets the needs of North Dakota and the world.

# PROGRAM NARRATIVE

## PROGRAM GOALS AND OBJECTIVES

NDSU is proud of its tradition as the state's student focused, land grant, research institution. The mission of the university is to provide transformational education, create knowledge through innovative research, and share knowledge through community engagement that meets the needs of North Dakota and the world. We embrace this responsibility as a cornerstone of our future productivity.

NDSU continues to excel in providing high-quality accessible and affordable education to meet academic and professional standards. Research productivity remains strong; our faculty compete successfully for corporate, state, and federal research grants, and our creative activity is vibrant and diverse. We serve, and are accountable to the constituents of the state.

The vision for NDSU as outlined in our strategic plan is to be innovative in education, research and outreach, and identifies goals and objectives in five areas including Diversity, Inclusion and Respect; Student Success and Achievement; Research and Creative Activity; Education, Extension and Outreach; and Resource Planning and Development. We incorporate best practices in teaching and learning to deliver high quality curricula approved by the State Board of Higher Education to meet student and labor force needs. As a land grant institution, we serve the constituents of the state through programmatic and outreach efforts. Additionally, the university's research and creative outputs are critical to improving the vitality of the state's economy and quality of life (https://www.ndsu.edu/fileadmin/president/pdf/NDSU_Strategic_Plan_0522.pdf).

In support of these goals and objectives, student services and institutional support is necessary. NDSU must meet the needs of students by providing traditional and innovative programs to assist in the total development of the student. Moreover, we must be responsive to labor-force demands and opportunities in the state through expanded offerings while balancing our portfolio for the best and responsible use of resources. In response to the pandemic, NDSU adopted the HyFlex (Fall 2020) learning model which synchronously incorporates traditional in-person classes with remote learning. We are now seeing increasing demand for asynchronous on-line programming as well, and will expand efforts accordingly.

We are also committed to supporting student achievement and academic excellence through career preparation and development. We promote a better quality of life for our students through wellness programs, the provision of alcohol-free social activities, counseling and personal growth opportunities, as well as services for first generation students, veterans, and students with disabilities.

## PROGRAM STATISTICAL DATA

NDSU consists of eight colleges: College of Agriculture, Food Systems and Natural Resources; College of Arts, Humanities, and Social Sciences; College of Business; College of Engineering; College of Human Sciences and Education; College of Health Professions; College of Science and Mathematics; and the College of Graduate and Interdisciplinary Studies.

NDSU offers a wide range of undergraduate majors, minors and certificate programs, as well as graduate programs at the doctoral, masters, specialist and certificate levels. As a land grant institution, we are responsive to workforce demands and provide undergraduate and graduate degree programs in high-need areas such as Engineering, Nursing, Software Engineering and Security, and Teacher Education. In response to societal needs and student demand, we have launched new programs such as a degree in Supply Chain Management, and on-line initiatives in Marketing and Natural Resource Management. Strengthening relationships with communities and tribal organizations occurs through joint research projects and leadership development programs. We also partner with NDUS institutions through articulation agreements in areas such as agriculture and health professions.

As of fall 2021, NDSU student enrollment headcount was 12,461 students.

## EXPLANATION OF PROGRAM COSTS

Salaries and fringe benefits continue to make up the majority of NDSU's expenses, representing approximately 73% of the University's state educational and general fund operating budgets in the most recent fiscal year. At NDSU, in order to achieve and sustain the University's viability, programming and recognition as a leading student focused, land-grant, research university, sufficient funding is required for competitive compensation and start-up packages for faculty and staff, along with the capacity to retain those faculty and staff in a performance-based, market driven environment.

Non-salary operating expenses represent the remaining 27% of the state education and general fund operating expenses. NDSU's continued focus on operational efficiencies allows us to meet extra student demand of both undergraduate and graduate students.

## PERFORMANCE MEASURES:

NDUS has adopted several data systems that help incorporate accountability measures and transparent reporting in accordance with the Board's vision and strategic plan. These data systems, including Dashboards, Predictive Analytic Reporting, Strategic Planning Online, and the State Longitudinal Data System, provide public reports on completion and retention rates, semester-by-semester enrollment, peer comparisons, financial aid and tuition, and much more. Additionally, the publicly-available data available throughout the systems provides real-time data to researchers and decision-makers. These analytical tools complement the system's biennial report on its strategic plan, which incorporates the "flexibility with accountability" expectations created in Senate Bill 2003 passed by the 2001 Legislative Assembly.

# Final Enrollment of SB2003

| | |
|---|---|
| **2019-21 Adjusted General Fund Appropriation** | **$ 132,714,983** |
| **Base adjustments:** | |
| 1/ Funding formula: Credit Hour completion adjustment | (29,096) |
| 2/ Funding formula adjustments | 3,763,288 |
| 3/ 2021-23 Salary increase 1.5% / 2.0% | 2,083,656 |
| 4/ 2021-23 Health insurance increases | 23,494 |
| 5/ Other Adjustment: Legal Settlement | 125,000 |
| **One-time adjustments:** | |
| 5/ Other Adjustment: Legal Settlement | (125,000) |
| **Total Base and One-time Adjustments** | 5,841,342 |
| **2021-23 Total General Funds-Base, One-time** | **$ 138,556,325** |
| | *4.4%* |

1/ Student Credit Hour production change

2/ HE Funding model adjustments; per Interim HE Committee recommendation

3/4 Salary compensation and health insurance amounts reflect General Fund amounts only.
5/ Other adjustment for Legal Settlement

**Other 67th Legislative Assembly approval:**

| Capital Building Fund/Extraordinary repair tier matching funds | NDSU | Capital Bldg Fund |
|---|---|---|
| Tier I: Extraordinary Repairs ($2,732,244 base + 2:1 match) | $ 8,196,732 | |
| Tier II: Capital Building Fund (1:1 match) | $ 2,899,596 | $ 2,899,596 |
| Tier III: Capital Building Fund (2 NDSU : 1 Capital Bldg match) | $ 4,500,000 | $ 2,250,000 |

**Agricultural Product Development Center authorization $85m**

State Bonds $50m
General Funds $20m
Other Funds $15m

# ADDITIONAL ITEMS

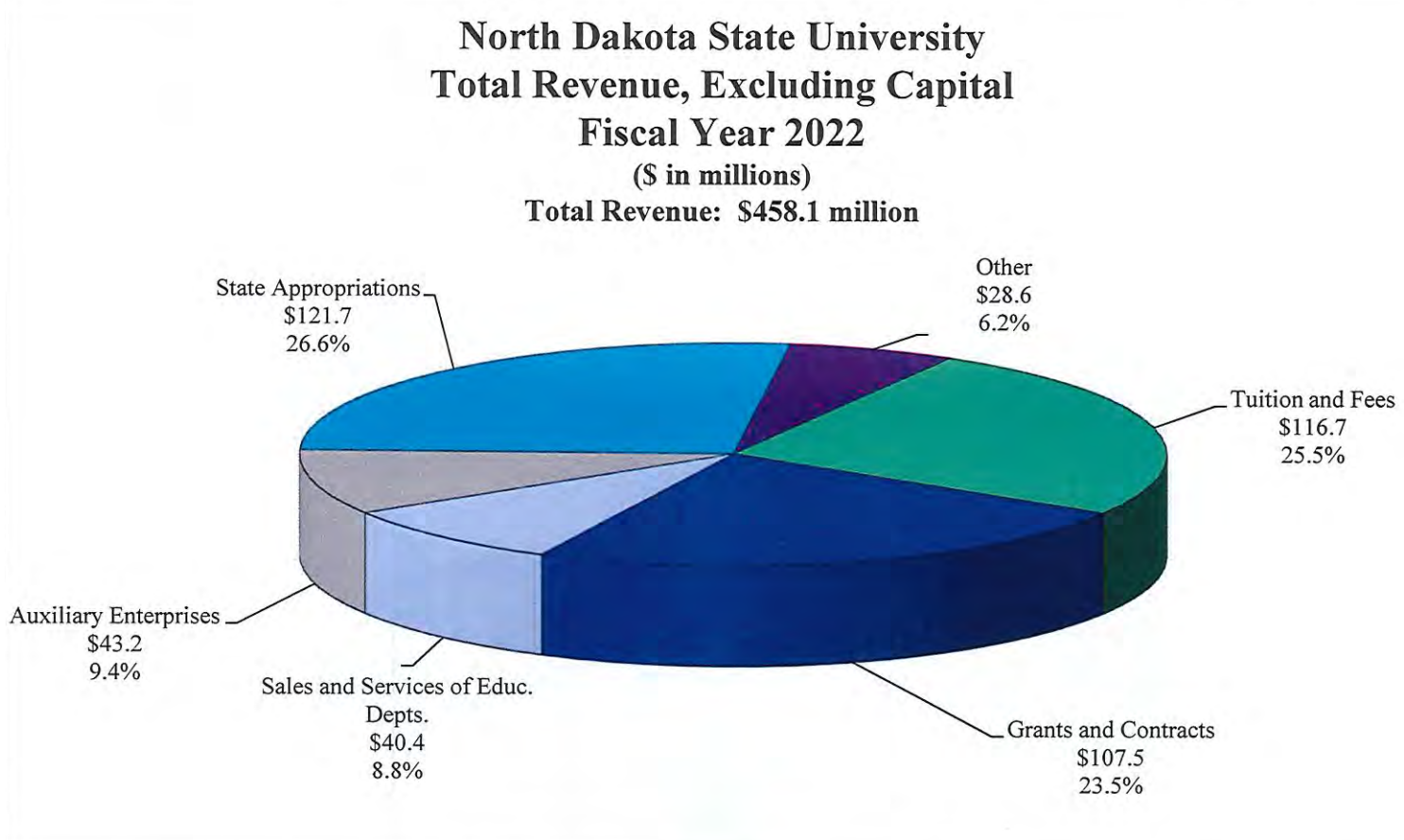
**2021-23 ONE-TIME FUNDING ITEMS (SB2003):**

As outlined in SB2003, Section 2; NDSU received $125,000 in one-time funding which was authorized for the A. Glenn Hill Center settlement agreement. The amount authorized by the 66th Legislative Assembly was remitted (7/22/2021) as per the SBHE approved settlement agreement to the general contractor, Roers Construction.

**FEDERAL STATE FISCAL RECOVERY FUNDING (SB2345):**

During the November 2021 special legislative session, NDSU was appropriated $1,600,000. These funds were provided for computational research (high performance computing). As of November 30, 2022, $898,294 has been expended, $499,268 has been encumbered and the remaining amount has been committed. The funds will provide additional network storage for researchers, off site storage and backup, replace data center infrastructure, provide more compute power and supporting infrastructure such as high-speed network interconnect between compute nodes within the data center.

NDSU has no audit findings to report.
NDSU's change in FTE is due to increased grant and contracts activity.

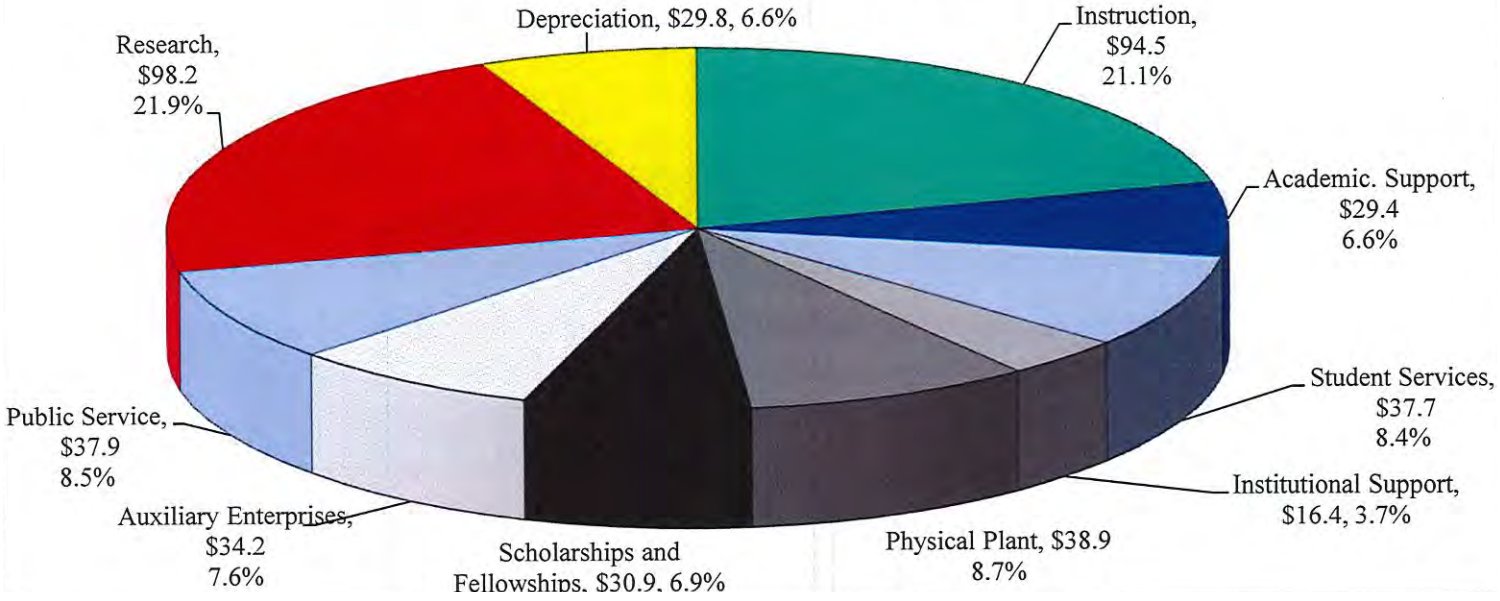



Source: Audited NDUS Financial Statements, June 30, 2022

Auxiliary Enterprises are the self-supporting activities of the campuses, such as bookstore, food service and housing.

Sales and Services of Educational Departments includes revenues related incidentally to instruction, research, public service and revenues of activities that exist to provide instructional and laboratory experience for students and incidentally creates goods and services that may be sold to students, faculty, staff and the general public. Examples are advertising in campus publications, fees for conferences organized by the institution and ticket sales for campus theatrical and musical events.

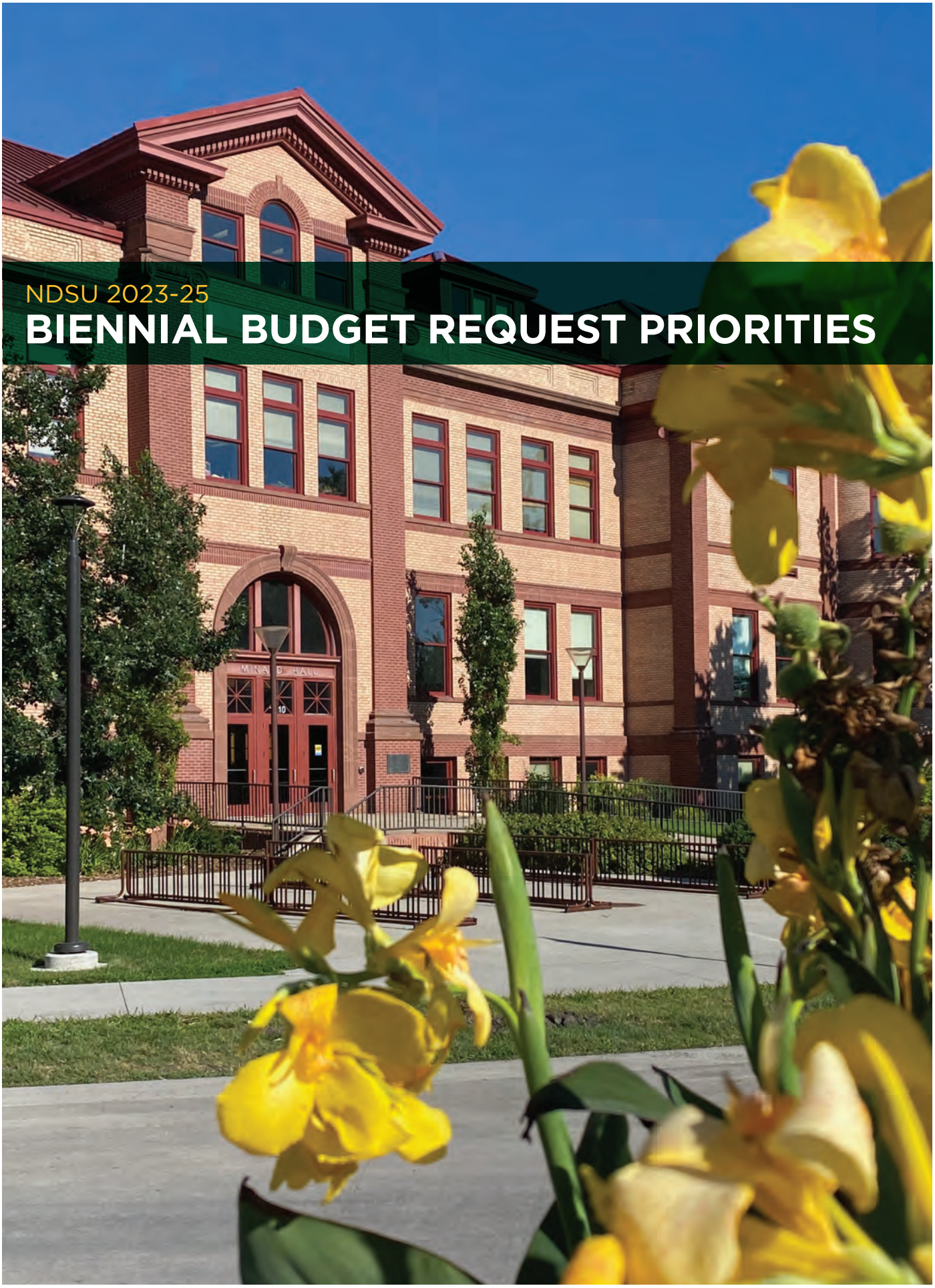
**North Dakota State University**
**Operating Expenses by Function**
**(excluding capital items and other nonoperating expenses)**
**Fiscal Year 2022**
**(in millions)**
**Total Operating Expenses: $447.9 million**




Source: Audited NDUS Financial Statements, June 30, 2022

The **instructional function** includes expenses related to instruction (e.g. classroom, distance ed and continuing education) and instructional support. **Academic support** includes libraries, academic deans, and other departments that directly support the academic unit of the campuses. **Student services** include offices that provide a specific service to students, including career services, registration, admission and counseling. **Institutional support** includes staff that supports the institution as a whole (e.g. business office, IT support and president's office). The **physical plant function** includes upkeep, maintenance and utilities for campus facilities. **Scholarships and fellowships** include aid provided to students. **Auxiliary enterprises** are the self-supporting activities of the campuses, such as bookstore, food service and housing. **Depreciation** represents the non-cash expense of capitalized assets over time. **Public service** includes activities established primarily to provide non-instructional services that are beneficial to individuals and groups external to the institution. The **Research function** is activities specifically organized to produce research.

| Conference Committee Final Version | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| HB1003 Capital Building Fund | | | | | | | | | | |
| Tier I 2:1 match; Tier II 1:1 match; Tier III 2:1 match - No Tuition Component | | | | | | | | | | |
| Total Capital Fund = $80.3 million | | | | | | | | | | |
| Tier I - Extraordinary Repairs | | | | Tier II - Capital Building Fund | | | Tier III - Capital Building Fund | | | |
| Institution | Base Funding Formula allocated to Extraordinary Repairs (General Funds) | 2 for 1 Institution Match (Special Funds) | Tier I Appropriation & Required Match | Institution Match at 1 to 1 (Special Funds) | $10M State Funds | Tier II Totals | State Funds | 2 for 1 Match | Tier III Totals | Totals |
| BSC | 417,673 | 835,346 | 1,253,019 | 425,693 | 425,693 | 851,386 | 500,000 | 1,000,000 | 1,500,000 | 3,604,405 |
| DCB | 114,007 | 228,014 | 342,021 | 106,064 | 106,064 | 212,128 | 500,000 | 1,000,000 | 1,500,000 | 2,054,149 |
| LRSC | 155,367 | 310,734 | 466,101 | 177,375 | 177,375 | 354,750 | 500,000 | 1,000,000 | 1,500,000 | 2,320,851 |
| NDSCS | 1,012,379 | 2,024,758 | 3,037,137 | 500,695 | 500,695 | 1,001,390 | 500,000 | 1,000,000 | 1,500,000 | 5,538,527 |
| WSC | 197,801 | 395,602 | 593,403 | 137,947 | 137,947 | 275,894 | 500,000 | 1,000,000 | 1,500,000 | 2,369,297 |
| DSU | 409,078 | 818,156 | 1,227,234 | 268,862 | 268,862 | 537,724 | 500,000 | 1,000,000 | 1,500,000 | 3,264,958 |
| MASU | 358,992 | 717,984 | 1,076,976 | 240,029 | 240,029 | 480,058 | 500,000 | 1,000,000 | 1,500,000 | 3,057,034 |
| MISU | 899,620 | 1,799,240 | 2,698,860 | 572,801 | 572,801 | 1,145,602 | 500,000 | 1,000,000 | 1,500,000 | 5,344,462 |
| VCSU | 408,319 | 816,638 | 1,224,957 | 309,137 | 309,137 | 618,274 | 500,000 | 1,000,000 | 1,500,000 | 3,343,231 |
| NDSU | 2,732,244 | 5,464,488 | 8,196,732 | 2,899,596 | 2,899,596 | 5,799,192 | 2,250,000 | 4,500,000 | 6,750,000 | 20,745,924 |
| UND | 4,411,566 | 8,823,132 | 13,234,698 | 4,361,801 | 4,361,801 | 8,723,602 | 2,250,000 | 4,500,000 | 6,750,000 | 28,708,300 |
| TOTAL | **11,117,046** | **22,234,092** | **33,351,138** | **10,000,000** | **10,000,000** | **20,000,000** | **9,000,000** | **18,000,000** | **27,000,000** | **80,351,138** |



NDSU 2023-25

# BIENNIAL BUDGET REQUEST PRIORITIES

# 2023-25 BIENNIAL BUDGET REQUEST PRIORITIES

## NDSU HAS PREPARED A NEEDS-BASED BUDGET, AS APPROVED AND DIRECTED BY THE ND STATE BOARD OF HIGHER EDUCATION ALONG WITH OTHER PRIORITIES FOR CONSIDERATION.

| PRIORITIES | HOUSE AMENDED | SENATE REQUEST |
|---|---|---|
| **1. HE Funding Formula: Minimum amount payable (Hold Harmless)**<br>*Permanent restoration of the minimum amount payable NDCC15-18.2-06; slows funding decreases as credit production drops. Provides additional time for strategic planning and efficient reduction of fixed operational costs.* | **$2,054,479**<br>(96%) | **$4,823,105**<br>(98%) |
| **2. HE Funding Formula: Inflationary increase adjustment**<br>*Provide a permanent salary increase adjustment for the **student share of 2023-25** compensation package increase. College affordability is a significant factor in student access, retention and completion.*<br>*Provide permanent operating increase adjustment of **7.5%** from general funds.* | **Student share of compensation package** | **Student share of compensation package**<br>7.5% inflationary cost increase |
| **3. IT Network Infrastructure**<br>*Request for base general funds for including network infrastructure funding, research and education network resources for Internet2 connectivity, Computational Research, Cybersecurity Maturity Model Certification (CMMC).* | **$3,201,100** | **$3,201,100** |
| **4. Behavioral Health Initiative**<br>*Provides for additional services, to meet the student demand for outreach and prevention efforts to ensure the well-being for campus students.* | **$1,100,000**<br>One-time funding | **$1,100,000**<br>*Base funding* |
| **5. Workforce Development (House Amendment)** | **$4,800,000**<br>One-time funding | **$4,800,000**<br>*Base funding* |
| **6. Capital Project Request** | | |
| • Engineering Project-$111,600,000 | **$84,000,000** | **$84,000,000** |
| › General Funds: $83,700,000 | | |
| › Special Funds: $27,900,000 | | |
| | | |
| Capital Project Authorization Request-Special Funds | | |
| • Music Building Addition/Renovation | **$20,000,000** | **$20,000,000** |
| • Sudro Hall Small Animal Research Facility Expansion and Renovation | **$3,000,000** | **$3,000,000** |
| | | |
| ADDITIONAL PRIORITIES: | | |
| **7. Challenge Grant funding**<br>• NDSU<br>• NDSU-State Board Ag Research & Education (SBARE) | **$5.0M**<br>**$4.0M** | **$5.0M**<br>**$4.0M** |
| **8. Capital Building Fund**<br>*Eliminate private funding match (30%), continue to allow use for academic and auxiliary type buildings with Tier Funds.* | **Support House amendments** | |

**North Dakota University System**

2019 - 2021 Completed Student Credit Hour Report Summary

**And Final 2023-25 Estimated Incr (Decr) in Base Funding**

| INSTITUTION | 2019-21 COMPLETED STUDENT CREDIT HRS (SCH) | 2019-21 ADJUSTED WEIGHTED SCH | 2021-23 Base Funding Per Credit Hour | Adjustment | Est 2023-25 Base | 2021-23 Total Base Funding | Prelim Estimated Incr(Decr) Base Funding for 2023-25 | % Increase (Decrease) | 2023-25 Adjustment for Minimum Amount Payable: 96% | | 2023-25 Adjustment for Minimum Amount Payable: 98% | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Adjustment | % Incr (Decr) | Adjustment | % Incr (Decr) |
| BSC | 139,377 | 316,931 | $ 98.84 | $ (101,618.00) | $ 31,223,842 | $ 32,084,055 | $ (860,213) | -2.68% | | -2.68% | | -2.68% |
| DCB | 31,746 | 100,836 | $ 98.84 | $ - | $ 9,966,630 | $ 9,537,862 | $ 428,768 | 4.50% | | 4.50% | | 4.50% |
| LRSC | 54,480 | 132,380 | $ 98.84 | $ - | $ 13,084,439 | $ 14,242,152 | $ (1,157,713) | -8.13% | 588,027 | -4.00% | 460,114 | 0.00% |
| NDSCS | 106,401 | 317,625 | $ 98.84 | $ - | $ 31,394,055 | $ 35,714,792 | $ (4,320,737) | -12.10% | 2,892,145 | -4.00% | 522,337 | 0.00% |
| WSC | 37,801 | 115,583 | $ 98.84 | $ - | $ 11,424,224 | $ 11,286,737 | $ 137,487 | 1.22% | | 1.22% | | 1.22% |
| DSU | 60,000 | 229,391 | $ 92.60 | $ - | $ 21,241,607 | $ 20,242,730 | $ 998,877 | 4.93% | | 4.93% | | 4.93% |
| MASU | 47,249 | 209,125 | $ 92.60 | $ - | $ 19,364,975 | $ 18,679,828 | $ 685,147 | 3.67% | | 3.67% | | 3.67% |
| MISU | 128,850 | 421,203 | $ 92.60 | $ - | $ 39,003,398 | $ 41,206,630 | $ (2,203,232) | -5.35% | 554,967 | -4.00% | | |
| VCSU ** | 67,531 | 266,115 | $ 92.60 | $ - | $ 24,642,249 | $ 24,161,377 | $ 480,872 | 1.99% | | 1.99% | | 1.99% |
| **NDSU** | **629,828** | **2,116,803** | $ 61.81 | $ - | $ 130,839,593 | $ 138,431,325 | $ (7,591,732) | -5.48% | 2,054,479 | -4.00% | 4,823,105 | -2.00% |
| UND | 630,113 | 3,375,173 | $ 61.81 | $ - | $ 149,310,794 | $ 150,927,126 | $ (1,616,332) | 0.12% | | -1.07% | | -1.07% |
| UND SMHS | | | | | $ 59,308,649 | $ 57,446,808 | $ 1,861,841 | | | | | |
| UND SMHS-HWI | | | | | $ 10,676,150 | $ 10,676,150 | $ - | | | | | |
| **Institution Total** | **1,933,376** | **7,601,165** | | | $ 551,480,605 | $ 564,637,572 | $ (13,156,967) | | 6,089,618 | | 5,805,556 | |

# PRIORITIES

## 1. MINIMUM AMOUNT PAYABLE $4,823,105 (98%)

Request to restore NDCC 15-18.2-06, to provide a minimum amount payable of the previous biennium funding. By restoring this section of the code provides additional time for strategic planning and efficient reduction of fixed operational costs. Increased tuition costs for students may result when institutions need to implement cost reductions without time to evaluate the most effective and efficient strategy.

## 2. INFLATIONARY INCREASE ADJUSTMENT

College affordability is a significant factor in student access, retention and completion. Tuition and fee rates are a major component of affordability. Any tuition increase, particularly in the current economy, could prohibit students from obtaining the education needed to join the ND workforce.

If funded, this request would replace the need to increase annual tuition (2-year tuition freeze) for an approximate 65% of the approved compensation package. NDSU is requesting general funds for the student share of the legislatively approved compensation package increase.

Request a permanent operating increase adjustment of 7.5% to assist with retention of faculty and staff increased salaries due to job market (locally and nationally) pressures on wages. And address the loss of purchasing power due to local and national inflationary effects on operating budgets.

NDSU looks forward to working with the Governor and Legislative Assembly to address inflation as part of a statewide plan, request consideration of an increase in the funding formula per credit hour rate for the university system institutions.

## 3. IT NETWORK INFRASTRUCTURE $3,201,100

We are requesting base funding for ongoing research efforts and network infrastructure including continued access to high speed research and education network resources with connectivity, maintain cybersecurity control standards, computational research tools and methods to support cybersecurity, artificial intelligence and quantum computing programming efforts.

- Northern Tier Network-Internet2 Connectivity $650,000
  An independent network that serves research and educational institutions. This network provides direct, and high-speed access to collaborators and government laboratories across the nation that is essential to successful research operations within the state.

- Computational Research $1,551,100
  Hiring experts to support faculty research on existing cutting-edge computational resources, so that most research disciplines can effectively utilize resources available. A small portion of the base funding will be used to support regular maintenance operations on the equipment.

- Cybersecurity Maturity Model Certification (CMMC) $1,000,000
  CMMC is a set of security standards issued by the Department of Defense (DoD) intended to protect Controlled Unclassified Information, which constitutes most information associated with or produced by DoD grants and contracts. The vast majority of DoD grants and contracts in the future will require CMMC level 2 certification.

To meet this requirement, NDSU will be required to implement new infrastructure for desktops, servers, networks, and other information services. Funds will cover additional staffing, equipment, and licensing.

## 4. BEHAVIORAL HEALTH INITIATIVE $1,100,000

This initiative will provide for additional counseling, disability and care team staff in support of outreach and prevention efforts to ensure the well-being of campus students. Request four FTE's $1,025,000 (estimated salary and benefits) and $75,000 operating funds.

- One 12-month provider
- One 12-month Disability Specialist Position
- One 10-month Nurse Practitioner for prescribing and medication management
- One 12-month Case Manager for students on Care Team

Additional operating funds to assist with professional development/training (required), educational programming, intern/trainee stipends, software.

## ADDITIONAL PRIORITIES

- Engineering Building
- Music Building
- Sudro Hall

# REQUEST: ENGINEERING PROJECT

**NDSU PRIORITY #1**
**TOTAL PROJECT ESTIMATED COST: $111,600,000**
**STATE GENERAL FUNDS: $83,700,000 (75%) SPECIAL FUNDS: $27,900,000 (25%)**
**BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3:** PED: 15% DMP:70% LSS: 15%

NDSU provides in-person, interdisciplinary hands-on education to thousands of engineering students annually, contributing to the workforce needs of North Dakota. Industry leaders demand talent that learns in face-to-face collaborative environments. Online students account for less than 1% of enrollment in engineering and computer science programs at NDSU.

We seek growth in the following areas of high economic impact to the state, region, and world:

- **Precision agriculture and autonomous systems**
  Designing the farm of the future that will improve the efficiency of food production for a growing global population.
- **Energy stewardship**
  Harnessing our abundant resources in a manner that promotes the responsible and efficient generation, conversion, distribution, and storage of power and energy.
- **Computer science, cybersecurity, and artificial intelligence**
  Providing advanced technological solutions for safety and security in a world that is becoming more driven by autonomous systems and marketplaces.
- **Entrepreneurship and commercialization of new technology**
  Accelerating research to move innovative ideas from the lab into technology start-ups with solutions that benefit society.

A new engineering facility has been a capital project priority of NDSU since 2014, driven by increasing demands for graduates across the state and upper Midwest. Existing facilities are inadequate to meet the current and future workforce demands of the state. Laboratories are small, overcrowded, and oversubscribed for multiple purposes, resulting in safety concerns and inefficient utilization. Programs are spread out across campus, stifling collaboration in various disciplines. Student workspace is in short supply, limiting the design/build/test educational philosophy that we cultivate in our programs as demanded by our industry partners. We currently are at a serious disadvantage in attracting and retaining students who are needed to support workforce demands in high growth areas that have a critical economic impact on the state.

The space shortage has recently become more acute with the necessity to demolish the Agricultural and Biosystems Engineering Building due to safety issues, rising deferred maintenance costs, and accessibility limitations. This will create an even greater shortage of space for students and faculty working in the precision agriculture sector, an area of great importance to the state.

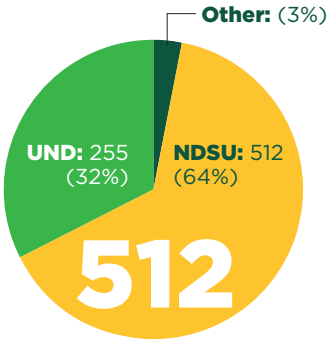
Accreditation visits as far back as 2012 have listed facilities as a concern, noting that limited space and overcrowded laboratories may limit the quality and capacity of our educational programs.

**Opportunities provided by innovative new learning space:**

- Collaborative learning spaces allow students to work together in multidisciplinary, team-based, face-to-face environments.
- Hands-on fabrication facilities and equipment for prototyping and testing products, devices, and systems.
- Modern educational laboratories with state-of-the-art testing facilities allow students to simulate real-world conditions using industry-standard equipment.
- Digital fabrication laboratories for rapid prototyping of engineering designs.
- Virtual reality studios allow students to simulate and test large-scale system designs in real time.
- Research facilities to expand our experimental capabilities in precision agriculture, autonomous systems, energy stewardship, cybersecurity, advanced materials, biomedical devices, among others. Dedicated research laboratories are needed to allow our faculty to remain competitive in attracting state, federal, and industry funding.
- A Center for Engineering Entrepreneurship and Innovation, highlighted by a technology acceleration center, will assist students and faculty to cultivate new ideas and facilitate commercialization of ideas into workable solutions and products for introduction into the marketplace. This center will help build new product development capacity and stimulate high-technology economic development in the state.

**5,800**

Job openings (in ND) requiring
College of Engineering degrees (2022)




Engineering and Computer Science
Graduates (2022)

**80%**

NDSU graduates from
North Dakota who stay in
North Dakota for their first job

**41%**

NDSU graduates from Minnesota
who stay in North Dakota
for their first job

# REQUEST FOR AUTHORIZATION: MUSIC BUILDING ADDITION/RENOVATION

**TOTAL PROJECT: $20,000,000**
**PRIVATE DONATIONS: $18,000,000**
**DEFERRED MAINTENANCE MATCHING FUNDS: $2,000,000**
**BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3:** PED: 85% DMP: 10% LSS: 5%

## MASTER PLAN ALIGNMENT

Over the past 18 years, the Challey School of Music has become the destination program for music training in our region, offering degrees from bachelors through doctorates, serving a population of about 160 music majors. It provides the region with outstanding K-12 music teachers and the nation's universities with excellent professors in performance and conducting. While several of our regional competitors' music programs have diminished in size and scope, the Challey School of Music has grown, quadrupling the number of majors and greatly expanding the breadth of programs. Hundreds of students, faculty, and staff utilize the Reineke Fine Arts Center each day, and thousands of people attend campus and community events in the performance spaces each year.

The School and its continued growth are vital to the region and the nation because of these things; however, adequate space for rehearsals, classrooms, technology, and performances are a major challenge impeding this progress.

## SCOPE OF WORK

Music building is a 96,886 square-foot building that was constructed in 1982. While the overall building is in good shape, many of the spaces lack adequate acoustical characteristics that are essential to the program. The building is deficient in other areas, as well:

- The band room is too small to hold the entire marching band simultaneously.
- Rehearsal spaces are inadequate in both size and quantity.
- Graduate student spaces, not previously designed in the original building, are in high demand.

This project will create an addition for spaces that aren't feasible in the current building. The exact size is yet to be determined but could be in the 12,000 square foot range. Some of the existing spaces will be repurposed, renovated or improved for the performance of the space. There are also plans to improve one of the entrances for better accessibility and as a more prominent feature.

Besides the programmatic improvements to the building, various deferred maintenance items will be addressed at the same time.

# REQUEST FOR AUTHORIZATION: SUDRO HALL SMALL ANIMAL RESEARCH FACILITY EXPANSION AND RENOVATION

**TOTAL PROJECT ESTIMATED COST: $3,000,000**
**SPECIAL FUNDS: $3,000,000 (100%)**
**BASED ON PERCENTAGE OF COST AS PER NDSU MASTER PLAN SECTION 3:** PED: 90% DMP: 5% LSS: 5%

## MASTER PLAN ALIGNMENT

The Department of Pharmaceutical Sciences' mission is to teach pharmacists how basic science is applied to the profession of pharmacy. In addition to teaching professional (Pharm.D.) students, the department has M.S., Ph.D., and Pharm.D./Ph.D. graduate programs and participates in a multidisciplinary Ph.D. program in Cellular and Molecular Biology. The department faculty are greatly contributing to the research mission of NDSU which recently was designated an R1 research institution by the Carnegie Classification of Institutions of Higher Education. Over the past five years, the College of Health Professions has procured a total of more than $38.6M in highly competitive research grant funding from various federal sources. The long-term plan of the department is to continue to grow its research success to create new drug discoveries that improve human health and help NDSU sustain its prestigious Carnegie R1 national ranking. The future research success of the department, however, is heavily dependent on faculty access to a contemporary small animal research facility to conduct animal studies. Given the increased funding from NIH and potential for exponential growth in future research funding, the current small animal research facility in Sudro Hall is inadequate in size and scope to accommodate the anticipated research growth of the department. Without a major expansion of the current small animal research facility, the future growth of research within the department will be greatly hindered. We believe renovation and expansion of the Small Animal Research Facility located in Sudro Hall are warranted in order to conduct the biomedical research safely and effectively and accommodate the growing research needs of the pharmaceutical sciences department at NDSU.

Once Aldevron Tower was finished, space became available in Sudro for other activities. With space opening up, an opportunity presented itself to expand the small animal research facility. Although a minor renovation to the animal research facility in Sudro Hall was completed in 2016, an expansion is needed to help support research activities.

## SCOPE OF WORK

The current animal facility will be upgraded to include more animal chambers, behavioral research rooms, surgical space with imaging equipment, animal breeding space, and additional support spaces. Mechanical, electrical, and other associated components of the current animal research facility will be addressed as needed.

NDSU 2023-25

# EXECUTIVE RECOMMENDATION

## NDSU request compare to Exec Recommendation

| | Request | Executive Rec | Executive Rec difference from Budget Request |
|---|---|---|---|
| **2021-23 Adjusted General Fund Appropriation** | **$ 138,431,325** | **$ 138,431,325** | $ - |
| **General Fund Base adjustments:** | | | |
| 1/ Funding formula: Credit Hour completion adjustment | (7,591,732) | (7,591,732) | - |
| 2/ Funding formula adjustments- 4% minimum payable adjustment | 2,054,479 | 2,054,479 | - |
| 3/ 2021-23 CTC Salary package | 696,301 | 696,301 | - |
| 3/ 2023-25 Salary package: Exec Rec 6.0% / 4.0% (total incl benefits) | - | 8,521,002 | 8,521,002 |
| 5/ Behavioral Health Initiative | 1,100,000 | - | (1,100,000) |
| *Total change to GF base funding* | **$ (3,740,952)** | **$ 3,680,050** | |
| *% change to base* | *-2.7%* | *2.7%* | |
| **Total General Fund Base with adjustments** | **$ 134,690,373** | **$ 142,111,375** | |
| **Other adjustments:** | | | |
| 6/ IT Network Infrastructure (not incl in SBHE request) | 3,201,100 | - | (3,201,100) |
| **Capital Project:** | | | |
| Engineering Building<br>*Total project request $111.6m = GF $83.7m + SF $27.9m* | 83,700,000 | - | (83,700,000) |
| **Total GF Base and One-time Adjustments** | 83,160,148 | 3,680,050 | (79,480,098) |
| **2023-25 Total General Funds-Base, One-time, Capital Project funding** | **$ 221,591,473** | **$ 142,111,375** | **$ (79,480,098)** |

**Notes:**

1/ Student Credit Hour production change

2/ HE Funding model adjustments: 2021-23 Base ($61.81/SCH), Exec Recom ($66.16/SCH-adj for comp pkg)

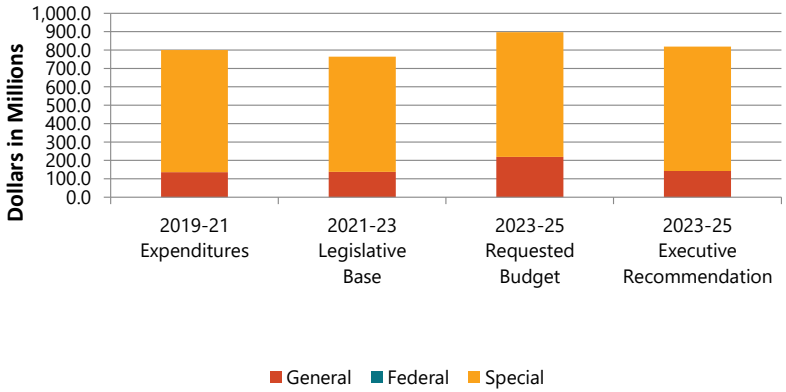
3/4 Salary compensation and health insurance amounts reflect General Fund amounts only.
Executive Recommendation includes 2023-25 compensation package of 6% (yr 1) / 4% (yr 2)

5/ Behavioral Health Initiative was included in the Executive Recommendation as part of the ND University System budget.

# 235 North Dakota State University








## Statutory Authority

North Dakota Constitution, Section 215; North Dakota Century Code Chapter 15-12.

## Agency Description

North Dakota State University (NDSU) is the state's 1862 land grant institution and serves the state by bringing educational opportunities and research solutions to the people of North Dakota. NDSU's commitment remains focused on affordable access to a high-quality education for students and serving state interests in a manner demonstrating sound stewardship and accountability. NDSU's success has led to higher national and international visibility, not just for itself but the entire state, and most importantly, more substantial contributions to the success of North Dakota and the nation.

NDSU offers undergraduate, masters and doctoral degrees as well as undergraduate and graduate certificate programs. While the significant majority of its students are in-person, NDSU also offers online options and is committed to expanding its online and hybrid offerings.

NDSU leads the state in the enrollment of first-time freshmen, and remains the largest university in the state in terms of overall full-time enrollment. Signature programs include Engineering (largest discipline enrollment), Agriculture (largest NDSU research productivity), and Health Professions (2nd largest discipline enrollment with nationally ranked programs for Pharmacy and Nursing).

NDSU collaborates with many institutions across the country and the state. Some of these relationships include research collaborations with other leading research universities throughout the country, administrative service agreements with other institutions within the North Dakota University System (NDUS) whereby NDSU provides administrative support (e.g., payroll) to those institutions, transfer agreements designed to facilitate student transfers within the NDUS, and joint-degree programs where institutions within the NDUS collaborate on degree programs.

NDSU continues to evolve, adapt and thrive, and continues its commitment to affordability, efficiency and productivity. That commitment is reflected in the success of the students, local and service region communities and the statewide economic interests served. NDSU remains committed to addressing the needs and aspirations of North Dakota by building on the land grant foundation.

## Executive Budget Recommendation

- Reduces $7.6 million from the General Fund higher education funding formula due to a decrease in adjusted student credits.
- Adds $2.1 million from the General Fund for 96.0 percent minimal amount payable adjustment.
- Provides $20.0 million of special fund authority for music building addition/renovation.
- Provides $3.0 million of special fund authority for Sudro Hall small animal research facility expansion/renovation.
- Provides $8.5 million from the General Fund as an inflationary increase, which includes the increase in employee health insurance and the executive compensation plan.
- Provides $142.1 million from the General Fund for the state share of campus operations at $66.16 per adjusted student credit hour.

## Request/Recommendation Comparison Summary
## Biennium: 2023-25

| Description | 2019-21 Biennium Expenditures | 2021-23 Legislative Base | 2023-25 Requested Budget | 2023-25 Recommendation Comparison to Leg. Base | | 2023-25 Executive Recommendation |
|---|---|---|---|---|---|---|
| | | | | Increase (Decrease) | % Change | |
| **By Line Item** | | | | | | |
| Campus Operations | 744,420,100 | 756,174,321 | 745,747,665 | 23,024,118 | 3.0% | 779,198,439 |
| Operating Expenses | - | (125,000) | - | 125,000 | (100.0%) | - |
| Capital Assets | 55,973,448 | 7,799,104 | 128,038,668 | 8,639,564 | 110.8% | 16,438,668 |
| Capital Improv-Off System | - | - | 23,000,000 | 23,000,000 | 0.0% | 23,000,000 |
| **Total Line Items** | **$800,393,548** | **$763,848,425** | **$896,786,333** | **$54,788,682** | **7.2%** | **$818,637,107** |
| **By Funding Source** | | | | | | |
| General | 136,007,619 | 138,431,325 | 218,390,373 | 3,680,050 | 2.7% | 142,111,375 |
| Federal | - | - | - | - | 0.0% | - |
| Special | 664,385,929 | 625,417,100 | 678,395,960 | 51,108,632 | 8.2% | 676,525,732 |
| **Total Funding Source** | **$800,393,548** | **$763,848,425** | **$896,786,333** | **$54,788,682** | **7.2%** | **$818,637,107** |
| Total FTE | 1,870.16 | 1,829.43 | 1,871.50 | 38.07 | 2.1% | 1,867.50 |

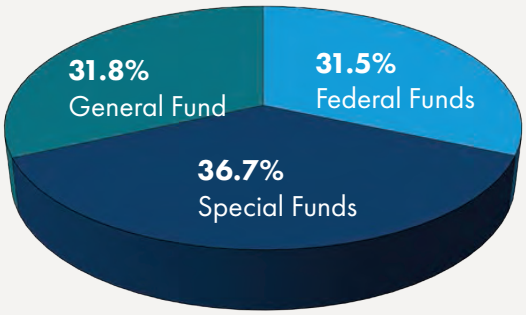
# 2023-25 EXECUTIVE BUDGET RECOMMENDATION

The executive budget recommendation is developed in conjunction with state agencies and the North Dakota Office of Management and Budget staff. It reflects Governor Doug Burgums priorities and financial plan for the 2023-25 biennium.

## 2023-25 RECOMMENDED TOTAL APPROPRIATIONS - $18.45 B

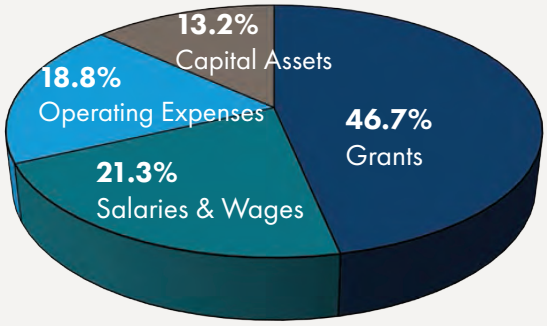
### RECOMMENDED FUNDING SOURCE
Total Funds

- $5.86 billion (31.8%) from the state General Fund
- $5.81 billion (31.5%) from federal funds
- $6.77 billion (36.7%) from state special funds




### RECOMMENDED EXPENDITURES
Total Funds

- $3.94 billion (21.3%) for salaries and wages
- $3.47 billion (18.8%) for operating expenses
- $2.43 billion (13.2%) for capital assets
- $8.61 billion (46.7%) for grants

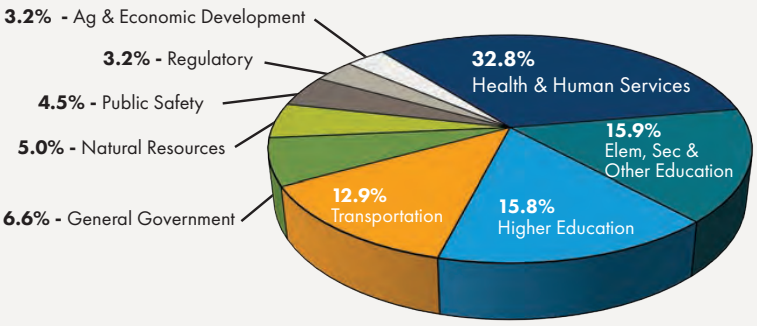



## 2023-25 BUDGET PROCESS

The 2023-25 biennium begins July 1, 2023, and ends June 30, 2025. After gathering information from state agencies regarding requested budgets for the upcoming biennium, the Office of Management and Budget prepared the Governor's recommended budget, presented to the legislature in December of 2022.

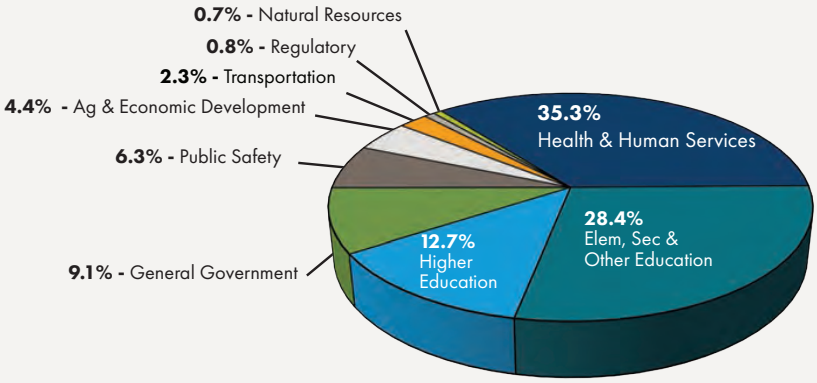
The legislature convenes in January 2023 to begin consideration of the Governor's budget and enact the appropriations bills which set the budget for the upcoming biennium.

## RECOMMENDED APPROPRIATIONS FUNCTION




### TOTAL FUND RECOMMENDATION

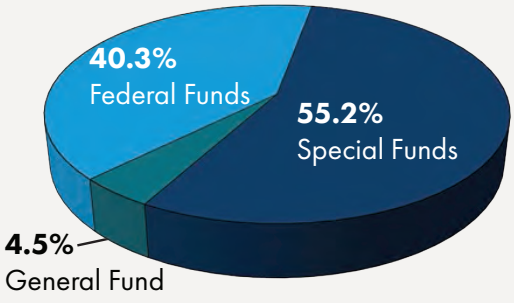
### GENERAL FUND RECOMMENDATION




## RECOMMENDED INVESTMENT IN INFRASTRUCTURE - $2.75 B

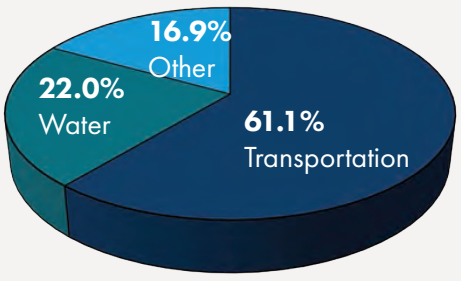
### RECOMMENDED FUNDING SOURCE
Infrastructure

- $125 million (4.5%) from the state General Fund
- $1.11 billion (40.3%) from federal funds
- $1.52 billion (55.2%) from state special funds




### RECOMMENDED PURPOSE
Infrastructure

- $1.68 billion (61.1%) for DOT infrastructure
- $607 million (22.0%) for water infrastructure
- $464 million (16.9%) for other projects




NORTH Dakota Be Legendary.

**GOVERNOR DOUG BURGUM**

Joe Morrissette, Director
Office of Management and Budget

NDSU 2023-25

# HOUSE ENGROSSED

## North Dakota State University

| | Comparison of SBHE General and Special Funds Budget Request to Executive and House Recommendations | 2023-25 Budget Request | Executive Recommend | House Engrossed | House Budget Over (Under) Budget Request |
|---|---|---|---|---|---|
| | *General Funds* | | | | |
| | 2021-23 Adjusted General Fund Appropriation, (Needs Based Budget Request) | $ 138,431,325 | $ 138,431,325 | $ 138,431,325 | $ - |
| | 2023-25 General Fund Adjustments: | | | | |
| | Base adjustments: | | | | |
| | Costs to Continue Salaries | 696,301 | 696,301 | 696,301 | $ - |
| | **Base Adjustments - Funding Formula** | **(7,591,732)** | **(7,591,732)** | **(7,591,732)** | $ - |
| 1 | **Base Adjustments - Minimum Amount Payable** | **2,054,479** | **2,054,479** | **2,054,479** | $ - |
| 2 | **Salary & Fringe Benefits GF-Exec (6%/4%); House (4%/4%) and (6%/4%) Student share/Tuition Portion** | | **6,139,826** | **14,538,568** | $ 14,538,568 |
| | Health Insurance increases General Fund and Tuition Portion | | 2,381,176 | 7,160,907 | $ 7,160,907 |
| *3* | **Research Network** | | | **3,201,100** | $ 3,201,100 |
| | *Subtotal base adjustments* | (4,840,952) | 3,680,050 | 20,059,623 | $ 24,900,575 |
| | **One-time adjustments:** | | | | |
| 4 | **Behaviorial Health Initiative** | **1,100,000** | | **1,100,000** | **$ -** |
| 5 | **Workforce Development** | | | **4,800,000** | $ 4,800,000 |
| | *Subtotal one-time adjustments* | *1,100,000* | *-* | *5,900,000* | *4,800,000* |
| | Total GF Base and One-time Adjustments | (3,740,952) | 3,680,050 | 25,959,623 | 29,700,575 |
| | 2023-25 General Fund | $ 134,690,373 | $ 142,111,375 | $ 164,390,948 | $ 29,700,575 |
| | *Special Funds* | | | | |
| | 2021-23 Special Fund Appropriation | $ 675,417,100 | $ 675,417,100 | $ 675,417,100 | $ - |
| | Base Payroll adjustments | | | | $ - |
| | Remove prior biennium capital asset carryover | (50,000,000) | (50,000,000) | (50,000,000) | $ - |
| | 2023-25 Adjusted Special Fund Appropriation Request | $ 625,417,100 | $ 625,417,100 | $ 625,417,100 | $ - |
| | Recommendation Special Fund Increases (Decreases): | | | | |
| | Base Payroll adjustments (Costs to continue) | 2,078,860 | 2,078,860 | 2,078,860 | $ - |
| | Salary & Fringe Benefits SF- Exec (6%/4%) House (4%/4%) | | | | |
| | Salary & Fringe Benefits | | 18,709,590 | 13,934,225 | $ 13,934,225 |
| | Health Insurance increases | | 7,320,182 | 7,487,950 | $ 7,487,950 |
| | Total Special Fund Adjustments | 2,078,860 | 28,108,632 | 23,501,035 | $ 21,422,175 |
| | 2023-25 Base Special Fund Request, Executive Recommendation and House Engrossed- Special Funds | $ 627,495,960 | $ 653,525,732 | $ 648,918,135 | $ 21,422,175 |

| | *Capital Project Authorization/Funding* | SBHE 2023-25 Budget Request | Executive Recommend | House Engrossed | Total |
|---|---|---|---|---|---|
| | NDSU music building (SF-Other) | 20,000,000 | 20,000,000 | 20,000,000 | $ - |
| | NDSU Sudro Hall expansion (SF-Other) | 3,000,000 | 3,000,000 | 3,000,000 | $ - |
| | NDSU Engineering Project | 111,600,000 | - | - | $ (111,600,000) |
| 6 | **NDSU center for engineering, automation, and autonomous system building $84M = $59M (SF-SIIF) + $25M (SF-Other)** | | **-** | **84,000,000** | $ 84,000,000 |
| | Total Capital project authorization/funding | 134,600,000 | 23,000,000 | 107,000,000 | (27,600,000) |
| | Total All funds | $ 896,786,333 | $ 818,637,107 | $ 920,309,083 | $ 23,522,750 |

| | Other Items, not included above: | |
|---|---|---|
| | Transfer from system office for cost of severance package | $ 367,000 |
| | **Challenge Grant awards available for match:** | |
| 7 | **NDSU** | **$ 5,000,000** |
| | **NDSU-SBARE** | **$ 4,000,000** |

| | Capital Building Fund | Tier I | Tier II | Tier III | Total |
|---|---|---|---|---|---|
| | 2021-23: Current match requirements | | | | |
| | NDSU match (ExtrOrd Rep GF $2,732,244 + SF $5,464,488 ) | $ 8,196,732 | $ 2,899,596 | $ 4,500,000 | $ 15,596,328 |
| | State Funds match | $ - | $ 2,899,596 | $ 2,250,000 | $ 5,149,596 |
| | Total | $ 8,196,732 | $ 5,799,192 | $ 6,750,000 | $ 20,745,924 |

| | | Tier I | Tier II | Tier III | Total |
|---|---|---|---|---|---|
| 8 | **2023-25: Capital Building Fund-House engrossed** | | | | |
| | **NDSU match** | **$ 8,196,732** | **$ 5,799,192** | **$ 2,250,000** | **$ 16,245,924** |
| | **State Funds match** | **$ -** | **$ 5,799,192** | **$ 2,250,000** | **$ 8,049,192** |
| | **Total** | **$ 8,196,732** | **$ 11,598,384** | **$ 4,500,000** | **$ 24,295,116** |

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Sixty-eighth
Legislative Assembly
of North Dakota

**FIRST ENGROSSMENT**

**ENGROSSED HOUSE BILL NO. 1003**

Introduced by

Appropriations Committee

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to create and enact five new sections to chapter 15-10 and section 15-18.2-06.1 of the North Dakota Century Code, relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; to amend and reenact sections 15-10-38.1, 15-10-38.2, 15-10-38.3, subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-49, subsection 2 of section 15-10-49, sections 15-10-57 and 15-10-63, subdivision k of subsection 1 of section 15-18.2-02, subsection 1 of section 15-18.2-05, section 15-54.1-02, subsection 1 of section 15-62.4-03, subdivision c of subsection 2 of section 54-07-12, and section 54-44.1-11 of the North Dakota Century Code, relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; to repeal sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code, relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program; to provide for a report; to provide an exemption; to provide legislative intent; and to declare an emergency.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and

other income, to the state board of higher education and to the entities and institutions under the supervision of the board for the purpose of defraying the expenses of the state board of higher education and the entities and institutions under the control of the board, for the biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 2,703,085 | 11,308,655 |
| Core technology services | 62,962,817 | 7,863,991 | 70,826,808 |
| Student financial assistance grants | 23,917,306 | 12,000,000 | 35,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 1,000,000 | 2,000,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 36,000,000 | 36,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 | 4,500,000 |
| Inflationary passthrough grants | 0 | 20,100,000 | 20,100,000 |

| | | | |
|---|---|---|---|
| Total all funds | $142,655,511 | $94,051,385 | $236,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| Total general fund | $116,898,476 | $93,179,187 | $210,077,663 |
| Full-time equivalent positions | 158.83 | 4.00 | 162.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $6,815,663 | $107,387,050 |
| Capital assets | 1,922,561 | 31,500,000 | 33,422,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $38,519,663 | $141,013,611 |
| Less estimated income | 70,409,893 | 34,400,734 | 104,810,627 |
| Total general fund | $32,084,055 | $4,118,929 | $36,202,984 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $1,913,818 | $41,064,731 |
| Capital assets | 362,667 | 600,000 | 962,667 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $2,622,818 | $42,136,398 |
| Less estimated income | 25,271,428 | 1,655,128 | 26,926,556 |
| Total general fund | $14,242,152 | $967,690 | $15,209,842 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,619,856 | $36,664,160 |

| | | | |
|---|---|---|---|
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $46,702,935 | $82,009,207 |
| Less estimated income | 24,019,535 | 44,830,555 | 68,850,090 |
| Total general fund | $11,286,737 | $1,872,380 | $13,159,117 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $52,555,093 | $954,728,423 |
| Capital assets | 4,411,566 | 190,000,000 | 194,411,566 |
| National security initiative | 0 | 45,000,000 | 45,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $291,416,193 | $1,198,001,089 |
| Less estimated income | 755,657,771 | 218,613,966 | 974,271,737 |
| Total general fund | $150,927,125 | $72,802,227 | $223,729,352 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $40,359,558 | $796,408,879 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Workforce education | 0 | 4,800,000 | 4,800,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $156,460,658 | $920,309,083 |
| Less estimated income | 625,417,100 | 130,501,035 | 755,918,135 |

| | | | |
|---|---|---|---|
| Total general fund | $138,431,325 | $25,959,623 | $164,390,948 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $4,650,059 | $100,197,524 |
| Capital assets | 1,012,379 | 19,975,000 | 20,987,379 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $24,811,809 | $121,371,653 |
| Less estimated income | 60,845,052 | 22,212,951 | 83,058,003 |
| Total general fund | $35,714,792 | $2,598,858 | $38,313,650 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $4,755,696 | $55,581,756 |
| Capital assets | 409,078 | 18,000,000 | 18,409,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |
| Total all funds | $51,235,138 | $23,082,696 | $74,317,834 |
| Less estimated income | 30,992,408 | 19,421,619 | 50,414,027 |
| Total general fund | $20,242,730 | $3,661,077 | $23,903,807 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $4,577,144 | $55,180,420 |
| Capital assets | 358,992 | 0 | 358,992 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |

| | | | |
|---|---|---|---|
| Total all funds | $50,962,268 | $4,885,878 | $55,848,146 |
| Less estimated income | 32,282,440 | 1,763,104 | 34,045,544 |
| Total general fund | $18,679,828 | $3,122,774 | $21,802,602 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $9,659,724 | $113,814,501 |
| Capital assets | 1,099,620 | 11,865,000 | 12,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $21,694,724 | $126,949,121 |
| Less estimated income | 64,047,767 | 15,504,561 | 79,552,328 |
| Total general fund | $41,206,630 | $6,190,163 | $47,396,793 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $4,626,767 | $54,710,167 |
| Capital assets | 455,823 | 35,500,000 | 35,955,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $40,362,767 | $90,901,990 |
| Less estimated income | 26,377,846 | 36,936,844 | 63,314,690 |
| Total general fund | $24,161,377 | $3,425,923 | $27,587,300 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,023,135 | $25,663,190 |

| | | | |
|---|---|---|---|
| Capital assets | 114,007 | 5,300,000 | 5,414,007 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $7,493,135 | $31,247,197 |
| Less estimated income | 14,216,200 | 5,839,622 | 20,055,822 |
| Total general fund | $9,537,862 | $1,653,513 | $11,191,375 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $17,796,430 | $236,049,488 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $17,796,430 | $246,725,638 |
| Less estimated income | 160,806,249 | 5,782,718 | 166,588,967 |
| Total general fund | $68,122,959 | $12,013,712 | $80,136,671 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,252,937 | $24,596,002 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,252,937 | $24,714,730 |
| Less estimated income | 10,669,315 | 8,469,894 | 19,139,209 |
| Total general fund | $4,792,478 | $783,043 | $5,575,521 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $232,349,099 | $918,677,625 |

| | | | | |
|---|---|---|---|---|
| Grand total special funds | 1,926,770,039 | 546,804,929 | 2,473,574,968 |
| Grand total all funds | $2,613,098,565 | $779,154,028 | $3,392,252,593 |

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

| One-Time Funding Description | 2021-23 | 2023-25 |
|---|---|---|
| Capital projects - strategic investment and improvements fund | $0 | $293,290,000 |
| Capital projects - other funds | 4,363,000 | 170,363,939 |
| University of North Dakota national security initiative | 0 | 45,000,000 |
| North Dakota state university workforce education | 0 | 4,800,000 |
| Bismarck state college polytechnic building and transition | 38,000,000 | 0 |
| University of North Dakota space command initiative | 4,000,000 | 0 |
| University of North Dakota airport apron | 5,000,000 | 0 |
| University of North Dakota Merrifield hall | 50,000,000 | 0 |
| University of North Dakota space education and research | 10,000,000 | 0 |
| North Dakota state university settlement agreement | 125,000 | 0 |
| North Dakota state university high-performance computing | 1,600,000 | 0 |
| North Dakota state university agricultural products development center | 50,000,000 | 0 |
| Dickinson state university Pulver hall and other projects | 4,000,000 | 0 |
| Mayville state university natural gas boiler project | 1,600,000 | 0 |
| Minot state university Hartnett hall | 25,000,000 | 0 |
| Valley City state university land purchase | 309,000 | 0 |
| Hyperbaric oxygen therapy | 2,104,121 | 0 |
| Math pathways | 150,000 | 0 |
| Higher education challenge grants | 11,150,000 | 36,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Support for single parents | 0 | 4,500,000 |
| Workforce education grants | 0 | 10,000,000 |

| | | |
|---|---|---|
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,554,354 |
| Passthrough grants | 0 | 20,100,000 |
| Total all funds | $207,876,121 | $589,698,917 |
| Total other funds | 190,851,121 | 463,653,939 |
| Total general fund | $17,025,000 | $126,044,978 |

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The state board of higher education shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 3. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION - EXEMPTION.** All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2023, and ending June 30, 2025. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2023, and ending June 30, 2025, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board. Notwithstanding section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts appropriated in sections 1 and 4 of this Act may spend those funds for the capital project.

**SECTION 4. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - MAYVILLE STATE UNIVERSITY - OLD MAIN RENOVATION - ONE-TIME FUNDING.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of $49,970,100, or so much of the sum as may be necessary, to Mayville state university for the purpose of renovating old main, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item.

**SECTION 5. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.** The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding

from the general fund for institution extraordinary repairs. An institution, excluding the university of North Dakota and North Dakota state university, shall provide one dollar of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project. The university of North Dakota and North Dakota state university shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The grand total special funds line item in subdivision 15 of section 1 of this Act includes $293,290,000 from the strategic investment and improvements fund for capital projects as follows:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $29,900,000 |
| Williston state college medical healthcare building | 34,750,000 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| University of North Dakota science, technology, engineering, and math building | 52,000,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 18,975,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Minot state university academic building | 7,600,000 |
| Valley City state university McCarthy hall renovation | 11,500,000 |
| Dakota college at Bottineau old main renovation | 4,300,000 |
| Total strategic investment and improvements fund | $293,290,000 |

**SECTION 7. NORTH DAKOTA STATE UNIVERSITY - WORKFORCE EDUCATION - REPORT.** The appropriation in subdivision 6 of section 1 of this Act includes $4,800,000 from the general fund for North Dakota state university for the purpose of creating or expanding programs and enrollment initiatives, as identified by the North Dakota state university president, to address the workforce needs of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding may only be used to create or expand programs and initiatives and may not be used for programs that have been closed or reduced by North Dakota

state university since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding identified in this section.

**SECTION 8. STUDENT SUPPORT FOR SINGLE MOTHERS - PILOT PROGRAM - REPORT.**

1. The appropriation in subdivision 1 of section 1 of this Act includes the sum of $4,500,000 from the general fund for the purpose of supporting single mothers, for the biennium beginning July 1, 2023, and ending June 30, 2025.
2. The state board of higher education may provide up to $250,000 to each institution under its control, each tribally controlled community college in this state, the university of Jamestown, and the university of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.
3. An eligible institution in subsection 2 must submit an application to the state board of higher education in order to receive funding under this section. The application must include the institution's plan identifying how the funding would benefit students enrolled at the institution, the estimated number of students impacted, and the estimated cost.
4. A student enrolled at an eligible institution in subsection 2 is eligible for support under this section if the student is residing in this state and is:
   a. An unmarried pregnant individual who is experiencing an unintended pregnancy;
   b. An unmarried mother who experienced an unintended birth while attending the institution; or
   c. An unmarried mother with a child or children under four years of age.
5. Funding awarded under this section may be used for on-campus room and board and the costs of providing on-campus day care for the children of students eligible pursuant to subsection 4.
6. If any available dollars have not been granted to an institution by the board before December 31, 2024, the board may allow institutions in subsection 2 to submit applications for any unused funding for the purposes of this section.
7. The state board of higher education may adopt policies and procedures as necessary to enact this section.

8. The state board of higher education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the results of this program, including the number of students assisted at each institution.

**SECTION 9. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - NORTH DAKOTA STATE UNIVERSITY.** Of the funding appropriated in subdivision 1 of section 1 of chapter 31 of the 2021 Session Laws for the biennium beginning July 1, 2021, and ending June 30, 2023, that is continued pursuant to section 54-44.1-11, the state board of higher education shall transfer $367,000 to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

**SECTION 10. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North Dakota university system office a total of $1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. The estimated income line item in subdivision 1 of section 1 includes $1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

**SECTION 11. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce student loan repayment program fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 12. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the sum of $7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget shall transfer $29,000,000 from the strategic investment and improvements fund to the

university system capital building fund during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

| | Tier II | Tier III | Total |
|---|---|---|---|
| Bismarck state college | $851,386 | $500,000 | $1,351,386 |
| Lake Region state college | 354,750 | 500,000 | 854,750 |
| Williston state college | 275,894 | 500,000 | 775,894 |
| University of North Dakota | 8,723,602 | 2,250,000 | 10,973,602 |
| North Dakota state university | 5,799,192 | 2,250,000 | 8,049,192 |
| North Dakota state college of science | 1,001,390 | 500,000 | 1,501,390 |
| Dickinson state university | 537,724 | 500,000 | 1,037,724 |
| Mayville state university | 480,058 | 500,000 | 980,058 |
| Minot state university | 1,145,602 | 500,000 | 1,645,602 |
| Valley City state university | 618,274 | 500,000 | 1,118,274 |
| Dakota college at Bottineau | 212,128 | 500,000 | 712,128 |
| Total | $20,000,000 | $9,000,000 | $29,000,000 |

**SECTION 14. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-eighth legislative assembly:

| | |
|---|---|
| Bismarck state college multipurpose academic and athletic center | $31,500,000 |
| Lake region state college wind turbine gearbox replacement | 600,000 |
| Williston state college medical healthcare building | 36,600,000 |
| University of North Dakota science, engineering, and national security corridor | 82,000,000 |
| University of North Dakota science, technology, engineering, and math building | 75,000,000 |
| North Dakota state university center for engineering and computational sciences | 84,000,000 |
| North Dakota state college of science agriculture, automation, and autonomous systems | 19,975,000 |
| Dickinson state university agriculture and technical education building | 18,000,000 |
| Minot state university academic building | 8,000,000 |
| Valley City state university McCarthy hall renovation | 13,500,000 |

| | |
|---|---|
| Dakota college at Bottineau old main renovation | 5,300,000 |
| Total | $374,475,000 |

**SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE INTENT.**

1. The state board of higher education may not include requests for any state funds for capital projects in its budget request submitted to the sixty-ninth legislative assembly. The state board of higher education may request other funds appropriation authority from the sixty-ninth legislative assembly for projects funded from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds.
2. It is the intent of the sixty-eighth legislative assembly that this Act includes all capital projects to be appropriated funding from the state, excluding projects that receive funding solely from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds, during the period beginning July 1, 2023, and ending June 30, 2027.
3. An institution must have possession of local matching funds allocated to a project prior to expending any funding from the strategic investment and improvements fund for the project.
4. If an institution is unable to provide the appropriated amount of matching funds for a capital project provided for in this Act, the institution may only spend a proportional amount of funding from the strategic investment and improvements fund for the project. If an institution is unable to provide necessary matching funds by June 30, 2027, to complete the project in whole or in part, the appropriation from the strategic investment and improvements fund must be canceled.
5. Any inflationary or other costs associated with previously approved projects must be paid from the institution's local funds or the institution's allocation in the university system capital building fund.

**SECTION 16. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek

assistance from the university system office for project management oversight of a capital project.

**SECTION 17. UNIVERSITY OF NORTH DAKOTA - SCHOOL OF MEDICINE AND HEALTH SCIENCES - OPERATIONS.** The operations line items in subdivision 5 and 13 of section 1 of this Act include a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2023, and ending June 30, 2025. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

**SECTION 18.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**State commissioner of higher education - Higher education trends - Report to budget section.**

The state commissioner of higher education shall provide an annual report to the budget section regarding trends in higher education, including state and regional student enrollment, North Dakota university system institution reserves, state and regional tuition rates, state and regional student financial assistance, and the North Dakota university system's response to the trends and changes, including new or expanded educational programs, closed programs, and future budget requests.

**SECTION 19.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Severance agreements - Funding - Emergency commission and budget section approval.**

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement. Emergency commission and budget section approval is required before the board may expend any funds pursuant to this section. When considering the request, the budget section shall consider the amount obligated to the individual named in the severance agreement pursuant to the individual's employment

contract with the board or institution under the control of the board, the cost of the severance agreement, and the justification for the severance agreement provided by the board.

**SECTION 20.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Academic program approval.**

The state board of higher education shall approve or deny a request from an institution under its control for a new or expanded academic program within thirty days of the institution submitting its request for the program to the commissioner of higher education.

**SECTION 21.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Disclosure of financial condition.**

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher education may require the qualified applicants to sign a nondisclosure agreement prior to receiving the disclosure of financial condition.

**SECTION 22.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Campus policies and procedures.**

The president of an institution under the control of the state board of higher education may adopt policies, procedures, and directives for the institution, with input but no authoritative control from faculty and others through shared governance. The commissioner of higher education and the state board of higher education may overturn or amend the president's policies, procedures, and directives.

**SECTION 23. AMENDMENT.** Section 15-10-38.1 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce student loan repayment program fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce student loan repayment program fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and loan repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of distributing student loan repayment grants directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The state board of higher education may transfer money between this fund and the skilled workforce scholarship fund established in section 15-10-38.2.
2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce student loan repayment program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.
3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. Graduates of degree or certificate programs from institutions or entities in any state may apply for the skilled workforce student loan repayment program. To be eligible to receive student loan repayment grants under the program, the applicant:
   a. Must have successfully completed an educational program from an institution of higher education;
   b. Must have a student loan with the Bank of North Dakota or other participating lender;
   c. Following completion of an educational program, must reside and work in this state in an eligible high-demand or emerging occupation; and
   d. Must have met and shall continue to meet any requirements established in applicable state board of higher education procedures.

5. The state board of higher education shall adopt procedures to ensure compliance with residency and occupation requirements after completion of the educational program.
6. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.
7. If an individual is receiving loan forgiveness under any other state program, the individual may not receive a student loan repayment grant under this section during the same application year. ~~An individual who received a skilled workforce scholarship under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~
8. An individual may receive a combined total of no more than seventeen thousand dollars under this section and the skilled workforce scholarship program under section 15-10-38.2.
9. ~~The skilled workforce student loan repayment program must be a joint public and private effort.~~ The state board of higher education shall provide one dollar of funding for each one dollar of ~~funding~~funds raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.
10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:
    a. The eligible high-demand professional and technical skills and emerging occupations;
    b. The number of applicants, eligible applicants, and applicants receiving awards;
    c. The amount of ~~private funding~~matching funds raised; and
    d. The average and total amounts awarded under the program.

**SECTION 24. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship fund - Continuing appropriation - Report. ~~(Repealed effective July 1, 2023)~~**

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, tribally controlled community colleges, state-approved educator training programs, and North Dakota institutions approved to operate by the North Dakota board of career and technical education. The state board of higher education may transfer money between this fund and the skilled workforce student loan repayment program fund established in section 15-10-38.1.
2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.
3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program is a program resulting in attainment of an associate's degree or lower credential ~~upon successful completion or a~~ program that may be completed within four semesters ~~or~~, six quarters, or the final two years of a baccalaureate program. A qualifying educational program also must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under

subsection 3. Qualifying educational programs may include degree or certificate programs.

5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.

6. To be eligible for a scholarship ~~and~~ payment under this section, a student must be enrolled full time in an eligible program and have at least a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.

7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.

8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain either a 2.5 cumulative grade point average or academic progress according to program requirements while enrolled, withdraws voluntarily or involuntarily before the completion of the program for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.

9. The state board of higher education, in conjunction with the Bank of North Dakota, may allow an individual who received payment under this section to delay or cancel repayment under this section due to financial difficulty, military service, death, or total disability.

10. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.

11. ~~The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state.~~The state board of higher education shall provide one dollar of funding for each one dollar raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce scholarship fund.

12. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

    a. The eligible high-demand professional and technical skills and emerging occupations;

    b. The qualifying educational programs;

    c. The number of applicants, eligible applicants, and applicants receiving awards;

    d. The amount of ~~private funding~~matching funds raised; and

    e. The average and total amounts awarded under the program.

**SECTION 25. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-38.3. Scholarship and loan forgiveness administrative costs ~~- Continuing appropriation~~. ~~(Effective through July 31, 2023)~~**

The state board of higher education shall retain up to one and one-half percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for promotion and administration of the programs under those sections.

~~**Scholarship and loan forgiveness administrative costs - Continuing appropriation. (Effective after July 31, 2023)** The state board of higher education shall retain up to one-half of one percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for administration of the programs under those sections.~~

**SECTION 26. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to ~~one million seven hundred thousand~~five million dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~one million five hundred thousand~~four million dollars in matching grants ~~for projects at~~each to the university of North Dakota school of medicine and health sciences and the North Dakota state university main research center. Of the amount available to the university of North Dakota, two hundred fifty thousand dollars must be awarded for projects dedicated to projects at the school of law.

**SECTION 27. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

c. The board may award up to:

(1) ~~Nine hundred fifty thousand~~Three million dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;

(2) ~~Seven hundred thousand~~Two million dollars each to Dickinson state university, Mayville state university, and Valley City state university; and

(3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college.

**SECTION 28. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.

b. An application submitted under this subsection must meet the same criteria as an original application.

c. The board shall prioritize available dollars allocated in paragraph 1 of subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 2 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of

subsection 1. The board shall prioritize available dollars allocated in paragraph 3 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of subsection 1.

d. After considering applications pursuant to subdivision c, the board shall consider each application submitted under this subsection in chronological order.

~~d.~~e. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

**SECTION 29. AMENDMENT.** Section 15-10-57 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-57. Unified workforce, vocational, and technical education program system.**

The state board of higher education shall establish and maintain a unified system to offer workforce training, vocational education, and technical education programs at institutions under its control. The board shall periodically review programs offered by institutions under its control and revise program offerings based on the workforce needs of the state identified by the workforce ~~education advisory~~development council. The board shall develop administrative arrangements that make possible the efficient use of facilities and staff. The board shall limit administrative costs by eliminating duplicative administrative positions.

**SECTION 30. AMENDMENT.** Section 15-10-63 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-63. Capital projects.**

1. The university of North Dakota and North Dakota state university shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least thirty percent of the total estimated cost of a capital project request submitted to the legislative assembly.

2. Bismarck state college, lake region state college, Williston state college, the North Dakota state college of science, Dickinson state university, Mayville state university, Minot state university, Valley City state university, and Dakota college at Bottineau shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least five percent of the total estimated cost of a capital project request submitted to the legislative assembly.

3. An institution under the control of the state board of higher education may undertake a facility renovation project only if the project will reduce the deferred maintenance amount of the facility by no less than seventy five percent of the total cost of the renovation. The institution shall maintain documentation that demonstrates the cost and scope of the deferred maintenance reduction that results directly from the renovation. This subsection does not apply to projects undertaken solely to correct building code deficiencies or to installations of infrastructure determined by the board to be essential to the mission of the institution.

~~2.~~4. Facility construction and renovation projects undertaken by an institution under the control of the state board of higher education must conform to campus master plan and space utilization requirements approved by the state board of higher education.

**SECTION 31. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

k. The ~~factors~~factor for credits completed in career and technical education ~~are:~~

~~(1) 3.0 for lower division credits; and~~

~~(2) 5.0 for upper division credits~~is 5.0.

**SECTION 32. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided under subsections 2 and 3, to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.2-03 by a base amount of:

a. ~~$61.81~~$72.39 in the case of North Dakota state university and the university of North Dakota;

b. ~~$92.60~~$102.78 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and

c. ~~$98.84~~$109.30 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.

**SECTION 33.** Section 15-18.2-06.1 of the North Dakota Century Code is created and enacted as follows:

**Base funding - Minimum amount payable.**

Notwithstanding any calculations required by this chapter, during each biennium an institution may not receive less than ninety-six percent of the state aid to which the institution was entitled under this chapter during the previous biennium.

**SECTION 34. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**15-54.1-02. Capital building funds - Uses - Reports.**

Subject to tier II and tier III capital building fund matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for projects specifically authorized by the legislative assembly to use university system capital building fund moneys. In addition, after an institution has matched and committed seventy-five percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to state board of higher education approval and matching requirements under this chapter, each institution may use its allocation of funds from the university system capital building fund for extraordinary repairs and deferred maintenance projects for academic and student housing facilities that do not increase the overall square footage of a building. The state board of higher education shall report biennially to the legislative management and to the appropriations committees of the legislative assembly on the use of funding in the university system capital building fund, the source of matching funds, and each institution's five-year plan for capital construction spending.

**SECTION 35. AMENDMENT.** Subsection 1 of section 15-62.4-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state board of higher education shall provide to each eligible student a financial assistance grant in an amount not exceeding:
   a. One thousand ~~one hundred~~six hundred fifty dollars per semester; or
   b. ~~Seven hundred thirty-three~~One thousand one hundred dollars per quarter.

**SECTION 36. AMENDMENT.** Subdivision c of subsection 2 of section 54-07-12 of the North Dakota Century Code is amended and reenacted as follows:

c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota, of which two million dollars is for the purpose of

~~creating an endowment to digitize~~digitizing documents relating to Theodore Roosevelt and eight million dollars is for the purpose of creating an endowment for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

**SECTION 37. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2023~~2025)**

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, ~~2023~~2025)** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

**SECTION 38. REPEAL.** Sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code are repealed.

**SECTION 39. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT REPORT.** Notwithstanding section 54-16-04, the office of management and budget shall

transfer appropriation authority from the operations to the capital assets line items within subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher education for the biennium beginning July 1, 2023, and ending June 30, 2025. The board shall report any transfer of funds under this section to the legislative management.

**SECTION 40. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control during the biennium beginning July 1, 2023, and ending June 30, 2025. The North Dakota university system shall report any adjustments to the office of management and budget as part of the submission of the 2025-27 biennium budget request.

**SECTION 41. EXEMPTION - CAPITAL BUILDING FUND - LAKE REGION STATE COLLEGE - ESTIMATED INCOME.** The estimated income line item in subdivision 3 of section 1 of this Act includes $600,000 from the Lake Region state college allocation in the university system capital building fund. This amount is for the replacement of the wind turbine gear box and is not subject to matching requirements under chapter 15-54.1.

**SECTION 42. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts remaining from the $49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 43. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amounts appropriated from federal funds derived from the state fiscal recovery fund to the state board of higher education and institutions under the control of the state board of higher education in section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and programs are available for the projects and programs during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 44. TUITION RATE INCREASE LIMITATIONS.**

1. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students

attending institutions of higher education under its control during the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

2. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.

4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.

5. This section does not apply to tuition rates for nonresident students attending institutions of higher education under the control of the state board of higher education. For purposes of this section, the residency of students for tuition purposes must be determined under section 15-10-19.1.

6. This section does not apply to tuition rates determined under tuition reciprocity agreements entered into by the state board of higher education with other states or state education compacts.

7. For purposes of this section, an institution must calculate a resident tuition rate increase based on the tuition rate paid by an average full-time resident student.

**SECTION 45. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-eighth legislative

assembly that dental hygienist courses be transferred to the career and technical education instructional program classification within the higher education funding formula.

**SECTION 46. EMERGENCY.** Section 35 of this Act is declared to be an emergency measure.

# Department 235 - North Dakota State University
# House Bill No. 1003

## First Chamber Comparison to Base Level

| | General Fund | Other Funds | Total |
|---|---|---|---|
| 2023-25 First Chamber Version | $164,390,948 | $755,918,135 | $920,309,083 |
| 2023-25 Base Level | 138,431,325 | 625,417,100 | 763,848,425 |
| Increase (Decrease) | $25,959,623 | $130,501,035 | $156,460,658 |

## First Chamber Changes

A summary of the first chamber's changes to the institution's base level appropriations and the executive budget is attached as an appendix.

## Selected Bill Sections Included in the First Chamber Version

**Additional funds appropriation authority** - Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities, including funding for capital projects.

**Extraordinary repairs matching funds** - Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for the University of North Dakota (UND) and North Dakota State University (NDSU), which must match $2 to $1.

**Strategic investment and improvements fund** - Section 6 identifies $293,290,000 for various institution capital projects from the strategic investment and improvements fund (SIIF).

**NDSU workforce education** - Section 7 identifies $4.8 million appropriated from the general fund to NDSU for creating or expanding programs and enrollment initiatives to address workforce needs.

**Support for single parents** - Section 8 identifies $4.5 million appropriated from the general fund to the North Dakota University System office for support for single mothers.

**Severance agreements** - Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval.

**Career builders** - Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program.

**Capital building fund program** - Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. Section 41 provides an exemption to allow Lake Region State College to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds.

**Capital project requests** - Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. Section 30 requires institutions to identify matching funds for future capital project requests for state funds.

**Project management oversight** - Section 16 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.

**Higher education trends** - Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends.

**Academic program approval** - Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days.

**Disclosure of financial condition** - Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president.

**Campus policies and procedures** - Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance.

**Higher education challenge grants** - Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose.

**Workforce Development Council** - Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38.

NDSU 2023-25

# NDSU TRANSFORM

# 3.1.2023 DR. COOK'S UPDATE ON REORGANIZATION EFFORTS UNDERWAY AT NDSU

## COLLEGE MERGERS AND ACADEMIC LEADERSHIP

I recently asked Dean Chuck Peterson, as NDSU's most senior dean, to convene a special meeting of the deans to receive their input regarding: (1) the college merger plan and (2) the provost position. I did not attend the meeting to encourage open discussion. Dean Peterson reported back that the deans were unanimous in their support for the merger plan, which includes consolidating our seven colleges down to five. After receiving additional campus input this past month, we have made a few slight modifications to the plan. The organization structure with the most recent changes highlighted can be found on the NDSU Presidents webpage NDSU Transform.

A critical part of the realignment process is college leadership. We need deans who combine academic and administrative excellence with financial acumen. We are in an excellent position with our existing deans and plans to recruit nationally to fill several open positions. Here is the status of college leadership:

### 1. COLLEGE OF ARTS AND SCIENCES

The current College of Arts, Humanities and Social Sciences is being merged with the College of Science and Mathematics and being renamed the College of Arts and Sciences. Kimberly Wallin will continue to be the dean of the re-named college. Kimberly has exhibited courageous and strong leadership through recent changes. I am extremely pleased and supportive of her efforts. Please join me in congratulating Dean Wallin.

### 2. COLLEGE OF BUSINESS

The College of Business national dean search is currently being conducted. Applications are due by March 1, and we expect finalists to be on campus by April. This process is moving forward smoothly and I am excited to meet the candidates.

### 3. COLLEGE OF HEALTH PROFESSIONS AND HUMAN SCIENCES

Dean Peterson will be retiring this May after a long and successful career at NDSU. We will be starting a national search for the new dean this fall. I have asked the Provost to start an internal search for an interim dean to serve until the permanent dean begins.

### 4. COLLEGE OF ENGINEERING

Alan Kallmeyer has begun his role as Interim Dean, while also filling the role of Interim Dean of the College of Business. I am extremely appreciative of Alan's commitment to the university as he balances these two roles. We will start a national search for a new engineering dean in the fall of 2024.

### 5. COLLEGE OF AGRICULTURE, FOOD SYSTEMS AND NATURAL RESOURCES

Greg Lardy continues to fill the role of Dean; however, David Buchanan, the long-standing and successful Associate Dean of the College recently announced his retirement. The Provost and I are working with Dr. Lardy and his leadership team to determine next steps with filling the Associate Dean position.

### 6. PROVOST

In addition to the college merger plan, the Deans also believed that stability at the Provost position is needed. With the transformation we are going through, including several dean searches, having certainty and expertise in the Provost role is critical to ensuring our success.

At this point in the academic calendar, a national Provost search would not be feasible until the fall semester, with an expected hire some time in the spring semester of 2024. The new provost would then require numerous months to become familiar with NDSU. We would have to postpone the deans' searches pending the conclusion of the provost search because many top candidates would be reluctant to apply with an interim provost. This entire process would cause significant delays which would exacerbate our problems rather than alleviate them.

Understanding this situation, the Deans unanimously supported to have Interim Provost Bertolini continue in his role for a term of three years, followed by a search for a permanent provost. This is a strong vote of confidence from the Deans in David's leadership as he has helped us through these difficult financial and organizational challenges. In addition, I consulted with the Chancellor and the Chair of the State Board of Higher Education, who support this decision. I have also discussed this matter with the leadership of each of the Senates and our equity office to ensure compliance with our hiring policies. I concur with the Deans' vote of confidence, and I am appointing David Bertolini as Provost with a fixed term of three years starting March 1, with a search to follow. This stability will allow Provost Bertolini to continue working on our transformation activities and will allow our dean searches to proceed without delay. Please join me in congratulating Provost Bertolini.

## STRATEGIC REDUCTIONS

Last month, I proposed a series of strategic reductions and investments, and I asked for community input. We received considerable feedback, and I want to thank everyone who took time to provide their thoughts. These are not easy decisions which is reflected in those comments. Just like the material we received regarding the college mergers, the comments are available ndsu.edu/provost/ndsu_transform.

Last month, the proposals included a total reduction of 34.5 FTE positions, which included 26 current employees and 8.5 FTE vacant lines. Those proposals can be found at

ndsu.edu/president/ndsu_transform. After reviewing comments and exploring new academic arrangements, we may be able to reduce the number of reductions to 27.5 FTE which would include 19 current employees and 8.5 FTE vacant lines. These FTE reductions do not include the two dean positions that are being eliminated as a result of the college mergers.

In order to achieve these changes, we analyzed student and workforce demand in the impacted departments of Earth, Environmental, and Geospatial Sciences as well as Hospitality and Event Management. By aligning portions of these departments with other academic units, we may be able to keep a limited portion of the academic offerings. The Provost and Deans are working with these units to explore these possibilities. These changes will likely still involve the termination of tenured faculty, and therefore we will follow guidelines required by NDSU Policy 350.3 (in accordance with SBHE Policies 605).

Beyond those two departments, twelve additional non-tenured faculty positions are being reduced in other departments (i.e., these are part of the 34.5/27.5 referenced above). All employees whose position is affected are having one-on-one meeting with their Deans today. We will be working with each of these employees to coordinate their remaining time with the university and our teach-out obligations for students in the impacted majors.

We also received considerable feedback related to the elimination of the Agricultural Systems Management major. As a result of that feedback, we will be merging the Precision Agriculture and Agricultural Systems Management majors together. The merger will still require difficult budget decisions, but it will allow us to offer two options in the new major to students that will meet the evolving needs of the workforce going forward.

All current and prospective students whose majors are affected by these cuts are being advised by NDSU personnel on their options. Every current student has the option of continuing until graduation with their current major.

## STRATEGIC INVESTMENTS.

We cannot transform NDSU by simply making reductions; we must reinvest in ways to enhance our student experience. Our enrollment issues are going to become more difficult in the future with increased competition from other institutions and demographic changes that will see fewer high school graduates in coming years. Another challenge relates to policy-makers in Minnesota who are exploring a tuition freeze for public universities and "free" college for families with an annual salary less than $120,000. More than 50% of our student population are Minnesota residents. I do not know whether these initiatives will succeed, but the trend line is clear. We will be facing stiffer competition for a reduced number of students for years to come.

With the current academic year coming to a close, we need to initiate limited and strategic investments to help with enrollment, retention and student success. Given this situation, I have asked Provost Bertolini to immediately implement the following strategic investments:

### A. PROFESSIONAL ADVISING

We need to ensure that more students that start at NDSU complete their degree programs. The best way to do this is to provide excellent comprehensive advising services to our 1st and 2nd year students through professional advisors. This benefits our retention efforts and reduces the load on faculty enabling them to concentrate on teaching and research.

### B. CREATING FULLY ONLINE PROGRAMS

We take pride in our traditional, in-person education, and we should. However, we need to strategically augment our current program offerings with fully-online degrees aimed at non-traditional student populations and the workforce needs of North Dakota. Moving forward, we will launch new online programs aimed at addressing the state's high-demand workforce needs. These programs will help students achieve their professional goals while mitigating the state's workforce shortages and alleviating NDSU's enrollment shortages.

### C. BISON BRIDGE PROGRAM

This is a successful program that we terminated years ago due to budget shortfalls. Starting immediately, we will revitalize this initiative, learning from our past efforts, to prioritize how we recruit, retain, and invest in first generation, Pell-eligible and students of color. The program consists of programming before the first week of school, mentoring throughout the academic year, along with assistance with summer internship and scholarships for underserved students.

## LEGISLATIVE BUDGET IMPACT

Additional investments will be dependent upon the result of the legislative process. Right now, the Legislature has reached the "cross-over" phase, where bills pass to the other chamber of legislature for further consideration. We want to thank the Legislature, particularly the members of the House Appropriations – Education and Environmental Division and the Government Operations Division, for their hard work and support of our budget priorities. We will have greater certainty for our budget situation at the end of legislative session in April.

## BUDGET MODEL AND FINANCIAL SERVICES

Finally, the work on the new incentivized budget model and restructured financial services is continuing. The new model and services structure will be in place by July 1, which corresponds with the day that we will convert from seven colleges to five. With these changes, NDSU is evolving its financial operations to meet our changing world.

I want to thank every member of our community for their commitment to NDSU and its mission. That support is never more important than when difficult decisions are necessary. As we move forward together through these tumultuous times, I'm confident that NDSU will be in a stronger position to serve its mission as the state's 1862 Land Grant University.

**BRUCE BOLLINGER**
VICE PRESIDENT FOR FINANCE AND ADMINISTRATION
NDSU DEPT 3000
PO BOX 6050
FARGO, ND 58108-6050

**P:** 701.231.8412 **F:** 701.231.6194 **E:** bruce.bollinger@ndsu.edu

**CYNTHIA ROTT**
BUDGET DIRECTOR
NDSU DEPT 3000
PO BOX 6050
FARGO, ND 58108-6050

**P:** 701.231.7458 **F:** 701.231.6194 **E:** cynthia.rott@ndsu.edu

NDSU does not discriminate in its programs and activities on the basis of age, color, gender expression/identity, genetic information, marital status, national origin, participation in lawful off-campus activity, physical or mental disability, pregnancy, public assistance status, race, religion, sex, sexual orientation, spousal relationship to current employee, or veteran status, as applicable. Direct inquiries to: Vice Provost, Title IX/ADA Coordinator, Old Main 201, 701-231-7708, ndsu.eoaa@ndsu.edu.

University of JAMESTOWN

North Dakota Senate Appropriations Committee
Chairman Brad Bekkedahl
March 8, 2023

**Re: House Bill 1003**

Chairman Bekkedahl and members of the Senate Appropriations Committee,

Good morning. My name is Gabi Oberg and I currently attend the University of Jamestown. I'm originally from Washburn, North Dakota, and am a Sophomore studying theater and English education, and my goal to be a teacher after graduation. I am currently also serving as a Senator in our Student Senate.

One of the reasons I chose the University of Jamestown was for the community there. I've been able to become involved in several organizations, like Student Senate, theater, and SET which is the organization in charge of planning, executing, and facilitating events for students on campus. I love that everywhere I go on campus, I can connect with someone. Being a Jimmie also means leaving the community better than you found it, by finding a way to make an impact.

I'm here today to speak in support of HB 1003, and echo Executive Vice President Lawrence's request for the University of Jamestown, and other North Dakota, nonpublic universities to be included in the matching grant program, known as challenge grants.

Jamestown students are currently able to access several of the state's scholarships. Adding an additional scholarship through the challenge grant program would give students at UJ even more opportunities. Excluding the private colleges however, limits options for students who are trying to find the right fit in their higher education program—something that's increasingly hard to do these days.

Our donors and alumni feel as strongly about the University as my current peers do. They are filled with pride for what UJ represents. They want to see it as a place for any future North Dakota college student to feel welcome, at-home, and see a place where they can pursue their educational goals.

With the state of North Dakota's support, the University of Jamestown's foundation could double the value of the private donations it receives and increase its scholarship offerings for additional students. You would be sending a message to all North Dakota students that you support whatever path is best for their future and career goals, including staying in North Dakota for our education and future careers. That would be the impact this legislature could have on our community, leaving it better than you found it.

Thank you for your time and allowing me to speak today. I am grateful for the opportunity and hope you will consider our request to be included in the challenge grant program.

Thank you,

Gabi Oberg
Junior, University of Jamestown

THE CHAMBER
FARGO MOORHEAD WEST FARGO

**FMWF Support for HB 1003 – NDSU Budget**

March 9th, 2023

Chairman Sorvaag and members of the Senate Appropriations - Education and Environment Division:

For the record, my name is Shannon Full and I have the pleasure of serving as the President/ CEO for the Fargo Moorhead West Fargo (FMWF) Chamber of Commerce. The Chamber's mission is to be a catalyst for economic growth and prosperity for businesses, members, and the greater community. On behalf of our over 1,900 members, I respectfully offer testimony in support of House Bill 1003, specifically as it relates to the budget of North Dakota State University (NDSU).

As you may know, NDSU provides the Fargo region and state of North Dakota with significant economic and community impact. NDSU serves as one of our region's strongest assets in the recruitment of individuals. The Chamber has been working with our higher education partners to establish creative solutions to better retain these students. Currently, 80% of NDSU graduates from North Dakota stay in the state for their first job, and 40% of NDSU graduates from Minnesota stay in North Dakota for their first job. So truly, NDSU is a catalyst for regional workforce attraction, creating pathways to workforce. In addition to the attraction of students, NDSU, as an R1 research institution, attracts world-class researchers. Educational Institutions, like NDSU, provide North Dakota with a competitive advantage in the demand for workforce.

In order to attract workforce, we must provide institutions with quality-of-life assets and placemaking infrastructure, such as state-of-the-art facilities. For example, providing students and faculty with a world-class engineering facility. This specific capital project has been on NDSU's list of priorities since 2014 as the existing facilities are inadequate to meet the current and future workforce demands of the state. The proposed facility offers students a modernized, applicable, and hands-on educational experience, which in turn attracts high-quality students. Currently, there is an increased demand across North Dakota for engineering graduates with 5,800 North Dakota jobs requiring an engineering degree. A number of our members throughout the engineering industry have provided letters of support, on behalf of this project.

In closing, I would like to take a moment to thank Dr. Cook for his courageous leadership in moving this institution forward. Our business and community leaders have been extremely impressed early on with Dr. Cook's attentiveness to the state's workforce demands and his willingness to make tough decisions. I confidently believe that under Dr. Cook's steadfast leadership, the future of NDSU is bright and headed in the right direction, and as such, I'd respectfully ask for the state's continued support in the growth and vibrancy of North Dakota State University.

On behalf of our members, I would like to thank the committee for their time and consideration.

Respectfully,

Shannon Full
President/CEO
FMWF Chamber of Commerce
sfull@fmwfchamber.com

NDSU | STUDENT GOVERNMENT

Christian Walth – NDSU Student Body President

Good morning chair Sorvaag and members of the committee, thank you for letting me speak today. My name is Christian Walth and I have the privilege of serving as NDSU's Student Body President where I bring the voice of over 12,000 students.

I would like to start with talking about the excitement that is growing on campus. This year, our student success programs completely revamped how we imagine Summer Orientation and Welcome Week. Rather than having new students go through the motions and simply learn about our campus, we have them engaged from the get-go. We show them how to get involved, how to succeed in college, and how to make NDSU not just their university but their home. I got to hand them shirts after they left at the end of the day, and the smiles and excitement the families had were contagious! This has led to an incredible spike in student involvement with 28 new organizations popping up this year and increased participation campus-wide. Needless to say, NDSU is bustling with energy.

In addition, during the last year, we have been working on and completing amazing projects. We have established a student led food pantry for students facing food insecurity. We have hosted Higher Education Day where we invited local legislators to come and speak about their priorities and hear from our student leaders, which chair Sorvaag graciously attended. And right now, we are currently planning a one-day thrift store to promote sustainability and reusability on campus. As the Student Body President, it has been rewarding to see how our students are not only engaging with the community, but to see the community want to work with us and hire our students, retaining them in this awesome state, and joining the North Dakota workforce.

When it comes to NDSU Student Government priorities this legislative session, our largest priority is increasing mental health services on campus. We are in full support of the 3.6-million-dollar allocation that is currently proposed to add counselors to our state. In addition, like Faith said, the UND student body president, we have also implemented, and were the first in the state, the Green Bandana Project, a mental health and suicide prevention student led program. To date, 1,285 students, faculty, and staff have been through training and are wearing bandanas. In a campus-wide survey, we learned that 99% of students believe this program is making an impact. We are incredibly thankful for the consideration of the legislature to support behavioral health, but we created this program to show the state that we are also taking an active role in caring for our students.

Finally, I would like to end with a challenge NDSU is currently facing and how our Student Government is addressing it. We have a great amount of new and transfer students that come every year, but our challenge has been retaining them, making sure they stay at NDSU. This is an uphill battle because according to our enrollment office, the number one reason why students leave NDSU is because of financial problems. However, the students that leave for other reasons are the students we are targeting as a Student Government. We are facing this challenge head on by prioritizing the student experience from week 3 to week 10. This is because the first 2 weeks are full of energy, but after classes fully commence and the stresses of college officially begin, students are struggling. To battle this climate, we are doing three things. We are relocating funding into student mentors that will help new students get acclimated and have a supporting role model. We are creating exciting programming that engages new students and encourages them to get involved. And we are supporting an initiative to fund professional advisors on campus. These solutions, we believe, will boost the student experience and help our retention.

# Dakota College at Bottineau

## Senate Appropriations Committee - Education and Environment Division

68th Legislative Session
March 13, 2023

Carmen Simone, PhD -- Campus Dean / CEO
Steve Shirley, PhD -- President

DAKOTA COLLEGE AT BOTTINEAU

# DCB Leadership

- Began in Campus Dean role on August 15, 2022
  - Replaced Dr. Jerry Migler
  - Inherited a vibrant, dynamic institution
  - Unique within North Dakota University System

- Strength through collaboration
- Focus on serving northcentral North Dakota

DAKOTA COLLEGE AT BOTTINEAU

# Statutory Authority

North Dakota Constitution, Article VIII, Section 6

1. State Board of Higher Education is created for the control and administration of:

e. the school of forestry, at Bottineau

North Dakota Century Code, Chapter 15, Section 10

1. State Board of Higher Education shall have control and administration of:

5. the following colleges: Bismarck state college, Dakota college at Bottineau, Lake Region state college, and Williston state college.

North Dakota Century Code, Chapter 15, Section 16

1. The school of forestry must be located at Dakota college, Bottineau, North Dakota.

North Dakota Century Code, Chapter 15, Section 18

1-05. Minimum standards.

All postsecondary educational institutions must be accredited by national or regional accrediting agencies recognized by the United States department of education.

DAKOTA COLLEGE AT BOTTINEAU

# Mission and Responsibility

**Original purpose - forestry education**

**Today - we are one of five public community colleges in North Dakota**

## The community college mission includes:

- transfer coursework equivalent to the first two years of a baccalaureate degree
- postsecondary career and technical education programming
- short-term community and workforce training courses
- dual credit opportunities
- community outreach and enhancement
- student life and student support services

***AND, of course for us, natural resources and forestry education***

We are an affiliate campus of Minot State University

DAKOTA COLLEGE AT BOTTINEAU

# Shared Services with Minot State University

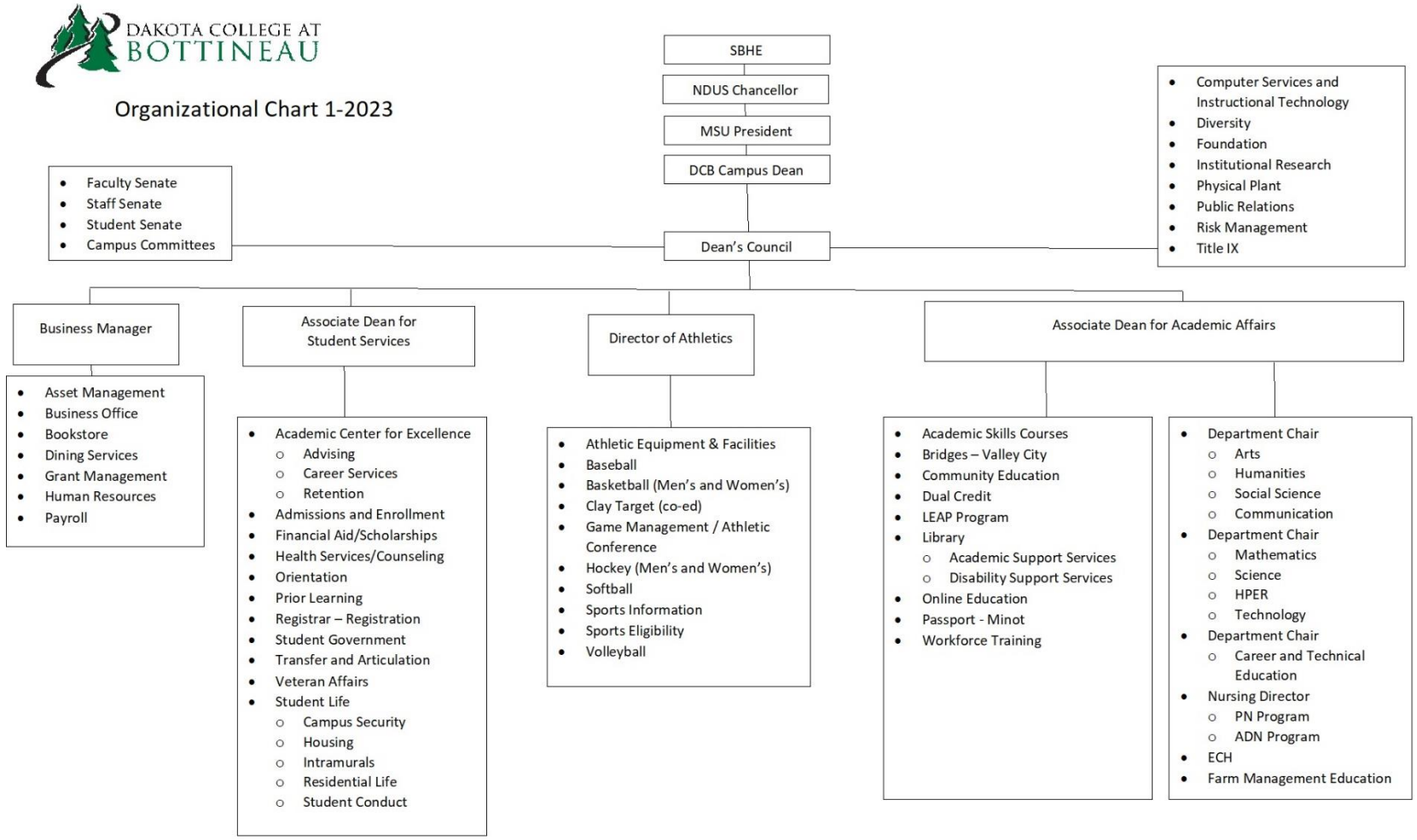
- Passport Program for Underprepared Students
- Classroom and Office Space
- Accounting Services
- Payroll Processing
- Business Manager
- Institutional Research Support
- Human Resources Support
- Printing Services
- Title IX (Anti-Discrimination) Support

This approach allows us to focus our funding into the classroom

MINOT STATE UNIVERSITY

DAKOTA COLLEGE AT BOTTINEAU

# Organizational Chart




DAKOTA COLLEGE AT BOTTINEAU

# Audit Results from FY2020

## Two findings:

- Inadequate Documentation of Veteran Waivers
- Inadequate Paperwork for Procurement Process

Both addressed internally

## Awaiting FY2022 Results

DAKOTA COLLEGE AT BOTTINEAU

# Accomplishments During Last Biennium

- Leadership Transition – Dean and Associate Dean levels
- Opening of Newly Constructed Dining Center
  - Funded with Revenue Bonds (through 2046)

DAKOTA COLLEGE AT BOTTINEAU

# Accomplishments During Last Biennium

- Three Teams Traveled to Nationals in 2022
  - Men's Hockey, Women's Hockey, Women's Basketball

*Breaking News: Men's Hockey and Women's Hockey are BOTH going to Nationals again this year!*

- Grew Foundation to over $4,000,000
  - ***First*** Capital Campaign is underway

DAKOTA COLLEGE AT BOTTINEAU

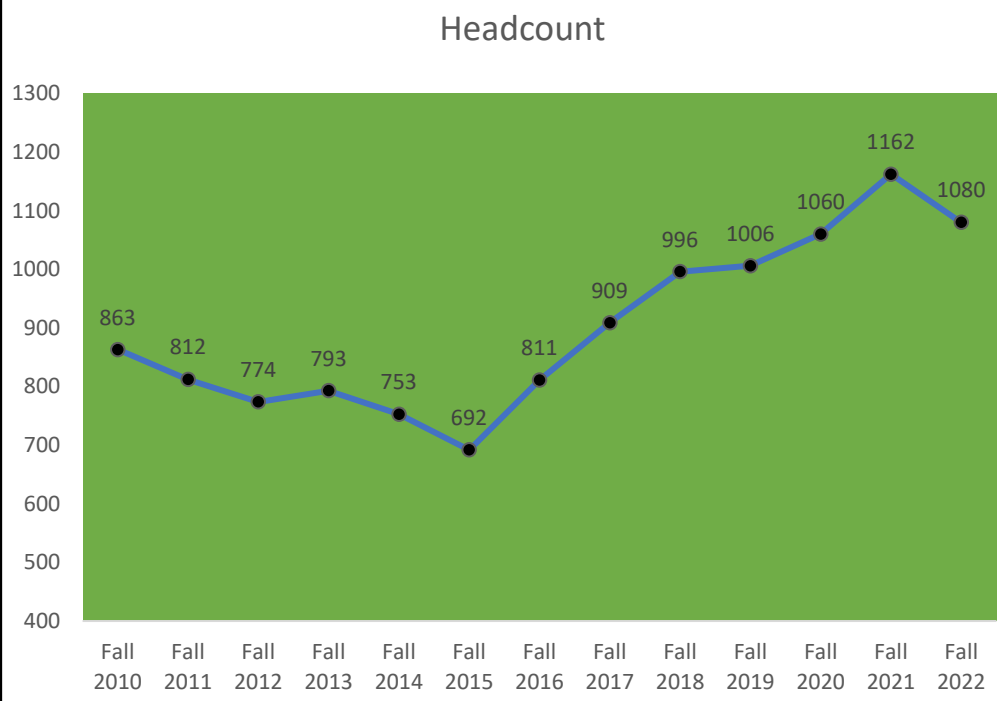
# Accomplishments During Last Biennium

- Graduated 203 students in 2021
- Graduated 219 students in 2022

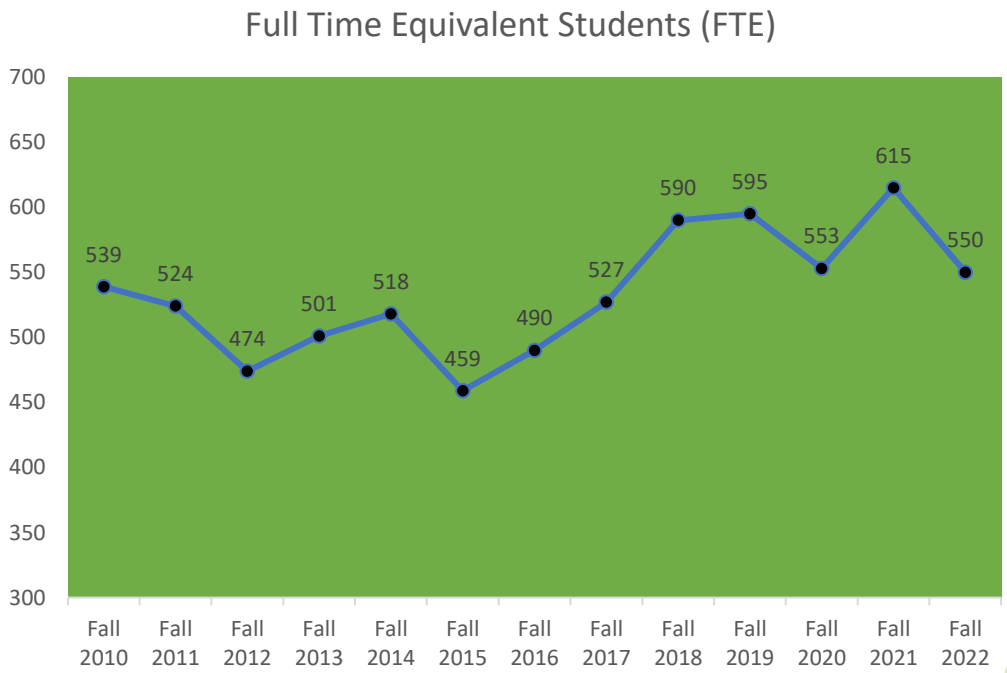
- Maintained Enrollment through Pandemic

DAKOTA COLLEGE AT BOTTINEAU

# Enrollment Trends




- 56% Increase from Fall 2015 to Fall 2022




- 20% Increase from Fall 2015 to Fall 2022

DAKOTA COLLEGE AT BOTTINEAU

## Current Opportunities and Challenges

- Turnover, especially in coaching staff
- Faculty and staff compensation levels
- Enrollment management planning

## Long-Term Challenges

- Faculty and staff retention
- Aging on-campus housing facilities

DAKOTA COLLEGE AT BOTTINEAU

# Goals For Next Biennium

- Maintain Strong Financial Position
- Review All Programmatic Offerings
- Focus on Enrollment Management (Recruiting/Retention)
- Strengthen Dual Credit Offerings throughout State
- Complete Minot CTE Center Project
  - Establish Dental Assisting Program in Minot
  - Establish Dental Hygiene Program in Minot
  - Develop Workforce Training Program in Minot
- Complete Center for Rural Healthcare Capital Project
  - Increase Nursing Enrollment (LPN/RN)

DAKOTA COLLEGE AT BOTTINEAU

# Minot Career and Technical Center

**Partners -** City of Minot, Trinity Health, Dakota College at Bottineau, Minot State University, MSU Development Foundation, Minot Area Chamber Economic Development Corporation

## Building Renovation

$3,400,000 in federal funding
$1,840,000 in city funding
$651,000 in grant funding

## New Programming:

- Dental Assistant – Certificate and Degree
- Dental Hygiene – Degree
- Additional Programming Based on Community Needs

DAKOTA COLLEGE AT BOTTINEAU

# Rural Health Education Center

## *A New Purpose for Old Main*

**Funding from Last Biennium ($2,500,000) - THANK YOU!**

**Local Capital Campaign Commitment ($1,500,000)**

**To date: $861,000 raised = 57% of goal**

Anticipated Programming:

- Certified Nurse Assistant
- Licensed Practical Nurse
- Registered Nurse
- Medical Coding
- Medical Assistant
- Medical Transcriptionist
- Qualified Service Provider

*Health Care Related Workforce Training*

DAKOTA COLLEGE AT BOTTINEAU

# Old Main Renovation

- Original cost estimate (2016)

  ***$4,000,000***

- Current cost estimate (2023)

  ***$8,300,000***

DAKOTA COLLEGE AT BOTTINEAU

# Cost Escalation

- **The cost has escalated due to the following factors:**
- $1,542,776 – inflation adjustment (38.6% overall since 2016)
- $575,000 – unanticipated structural repairs
- $477,757 – added building shell costs
- $800,000 – windows cost adjustment
- $264,398 – adjustment for installation of elevator
- $297,974 – fixtures, furnishings, and equipment (FFE) budget, inflation adjusted – nursing
- $376,800 - fixtures, furnishings, and equipment (FFE) – information technology
  - **= $4,334,705 ADDITIONAL FOR PROJECT COMPLETION**

- **Based on this, the total additional request for the Center for Rural Health Education (Old Main Renovation) project is $4.3 million for a total project cost of $8.3 million.**

DAKOTA COLLEGE AT BOTTINEAU

# Request History

**Original support:** $2,500,000 from State (last biennium)
$1,500,000 from Local (private donors)

**Office of Management and Budget request:** $3,700,000

**Executive Recommendation:** *$3,700,000*

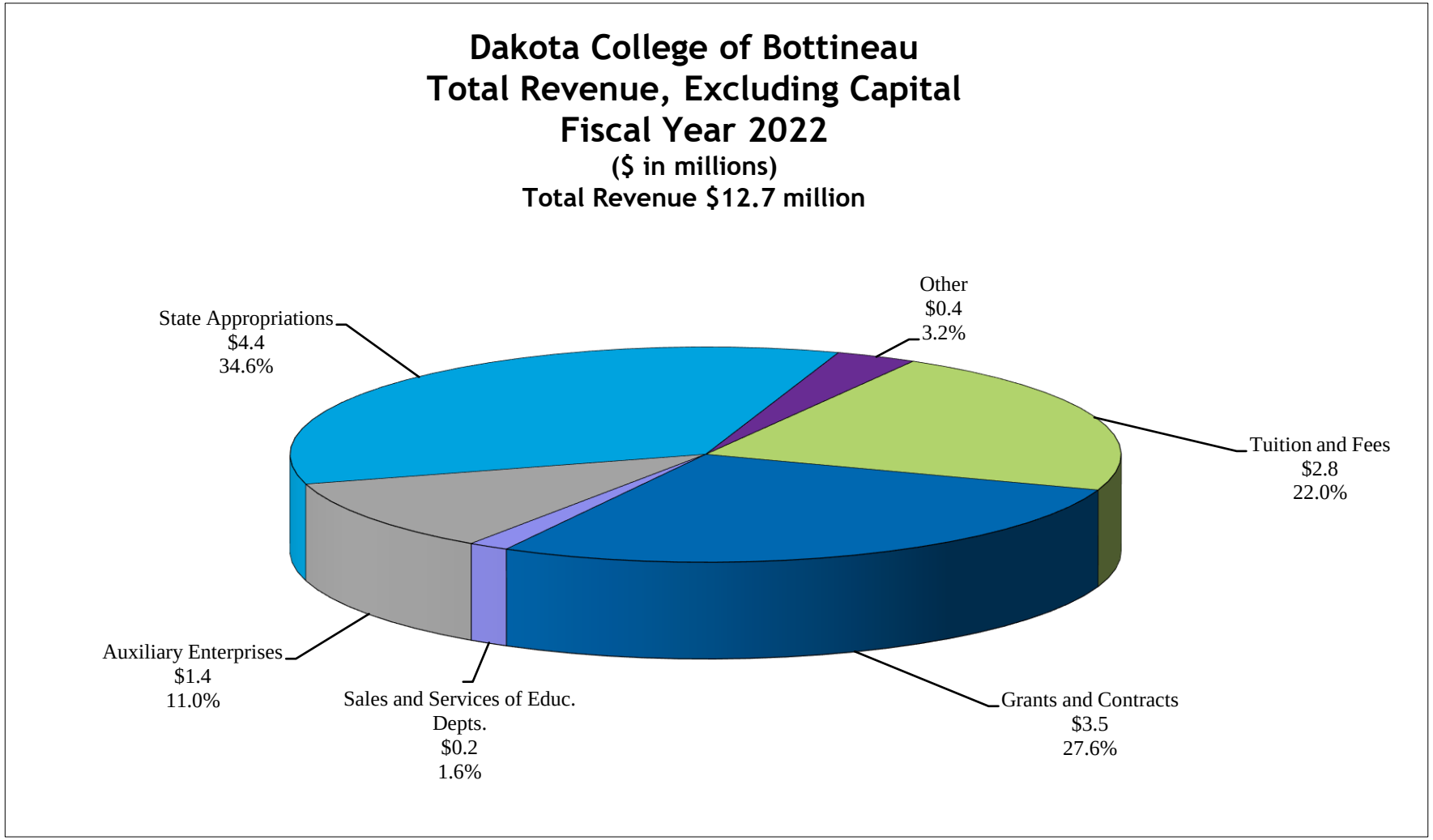
**House Appropriations Committee request:** $4,300,000

**House Recommendation:** *$4,300,000 with $1,000,000 local match*

**Senate Appropriations Committee request:** *$4,800,000*

**SUMMARY**
$2,500,000 from 2021-2023 Biennium
$1,000,000 from local funds
$4,800,000 REQUESTED
$8,300,000 TOTAL FUNDING (12% Local Funding)

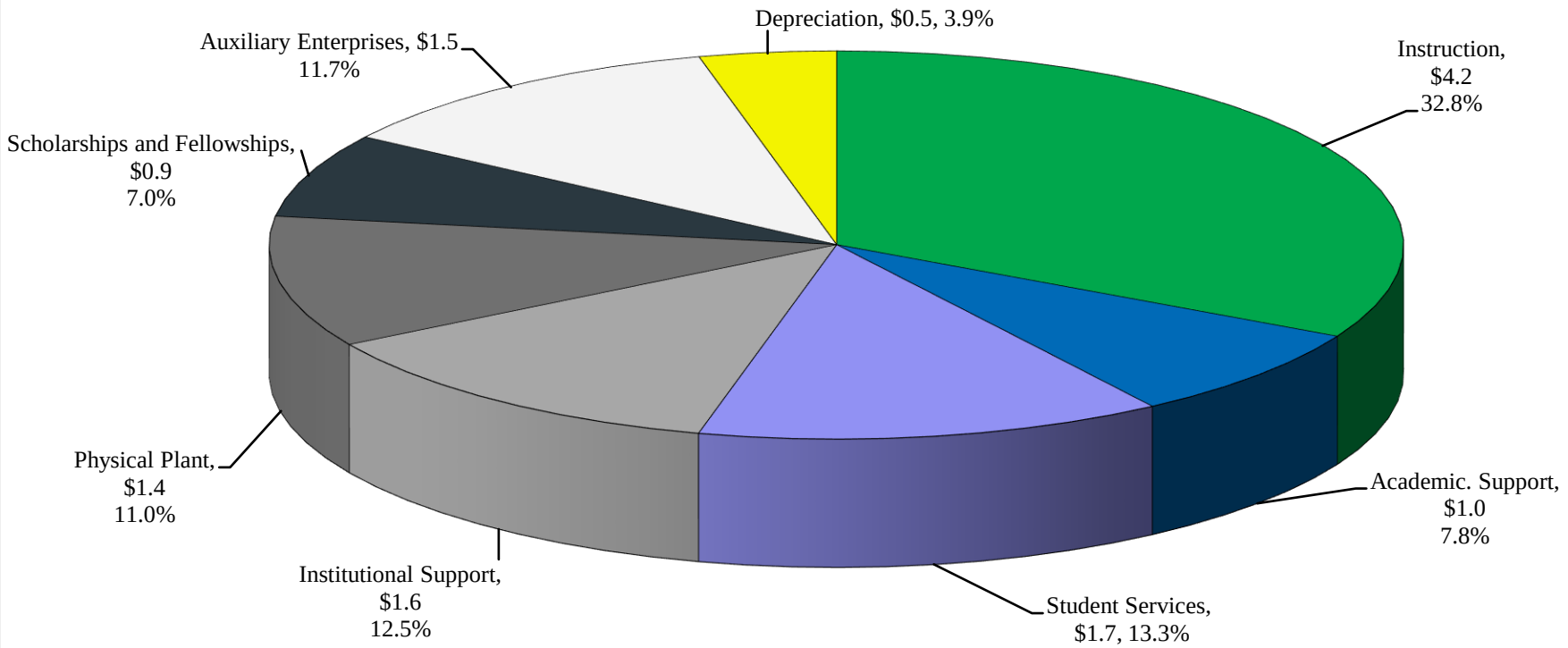
DAKOTA COLLEGE AT BOTTINEAU




Source: Audited NDUS Financial Statements, June 30, 2022

DAKOTA COLLEGE AT BOTTINEAU

**Dakota College of Bottineau**
**Operating Expenses by Function**
**(excluding capital items and other nonoperating expenses)**
**Fiscal Year 2022**
**(in millions)**
**Total Operating Expenses: $12.8 million**




Source: Audited NDUS Financial Statements, June 30, 2022

DAKOTA COLLEGE AT BOTTINEAU

## Comparison: SBHE Request and HB 1003 Engrossed

# Dakota College at Bottineau

### Comparison of 2021-23 Base Budget, SBHE Needs-Based Request and 2023-25 HB 1003 Engrossed

| | 2021-23 Base Level | 2023-25 SBHE Needs-Based Budget | 2023-25 HB 1003 Engrossed | HB 1003 Difference from 2021-23 Base Level |
|---|---|---|---|---|
| Campus Operations | $ 23,640,055 | $ 23,991,909 | $ 25,663,190 | $ 2,023,135 |
| Capital Assets | $ 114,007 | $ 114,007 | $ 5,414,007 | $ 5,300,000 |
| Behavioral Hlth Initiative | | $ 170,000 | $ 170,000 | $ 170,000 |
| **Total Appropriation** | **$ 23,754,062** | **$ 24,275,916** | **$ 31,247,197** | **$ 7,493,135** |
| | | | | |
| General Fund | $ 9,537,862 | $ 10,016,449 | $ 11,191,375 | $ 1,653,513 |
| Special Funds | $ 14,216,200 | $ 14,259,467 | $ 20,055,822 | $ 5,839,622 |
| **Total Funding Sources** | **$ 23,754,062** | **$ 24,275,916** | **$ 31,247,197** | **$ 7,493,135** |

DAKOTA COLLEGE AT BOTTINEAU

# DAKOTA COLLEGE AT BOTTINEAU

## 2023-2025 General Funds Budgets Comparison

| | SBHE Request | HB 2003 Engrossed | |
|---|---|---|---|
| 2021-2023 General Fund Base Budget | $ 9,537,862 | $ 9,537,862 | |
| Base Budget Request | | | |
| - Funding Formula increase | $ 428,768 | $ 428,768 | |
| - Salary continuation adjustment | $ 49,819 | $ 49,819 | |
| - Salary Increase | | $ 696,639 | |
| - Health Insurance Increase | | $ 308,287 | |
| - Behavioral Health Initiative | $ 170,000 | $ 170,000 | |
| Total Base General Fund Request | $ 648,587 | $ 1,653,513 | |
| 2023-2025 General Fund Base Budget | $ 10,186,449 | $ 11,191,375 | |
| 2023-2025 One-Time Capital Funding | | | |
| Old Main Renovation | $ 3,700,000 | $ 4,300,000 | (SIIF) |
| | | $ 1,000,000 | (Local match) |
| **Old Main Renovation- Add'l Senate Request** | | **$ 500,000** | **(SIIF)** |

DAKOTA COLLEGE AT BOTTINEAU

# Recommended Salary and Health Insurance Adjustments

We are ***profoundly grateful*** for the consideration we have received

Recruitment, Retention, Morale

**Governor Recommendation:** 6% / 4% (general fund portion only)
**House Recommendation:** 4% / 4% (general fund PLUS tuition portion)

Thank you for considering additional support
for our most important asset ---

**OUR PEOPLE**

DAKOTA COLLEGE AT BOTTINEAU

# Dakota College at Bottineau

# 2023-2025 Budget Presentation

## THANK YOU FOR YOUR SUPPORT

Carmen Simone, PhD -- Campus Dean / CEO
Steve Shirley, PhD -- President

DAKOTA COLLEGE AT BOTTINEAU

MINOT STATE UNIVERSITY

# Senate Appropriations – Education & Environment Division

68th Legislative Session
March 13, 2023

Steve Shirley, PhD, President
Brent Winiger, VP for Administration & Finance

# RELEVANT ND CENTURY CODE

- ND Constitution:
  - Article VIII "Education," Section 6d:
    - "The state normal schools and teachers colleges at Valley City, Mayville, Minot, and Dickinson."
- ND Century Code:
  - Chapter 15-13-01 – Normal Schools – Locations – Names:
    - "The state normal schools established at…..Minot in the county of Ward; ….the name of the normal school at Minot is Minot State University."
  - Chapter 15-18.1-05 – Postsecondary Education Minimum Standards:
    - "All postsecondary educational institutions must be accredited by national or regional accrediting agencies recognized by the United States department of education."

MINOT STATE UNIVERSITY

# Organizational Chart

## PRESIDENT

### Vice President for Academic Affairs

- Academic Support Center
- Gordon B. Olson Library
- College of Arts & Sciences
- College of Business
- College of Education & Health Sciences
- Interdisciplinary Programs
- Teacher Education Unit
- Graduate School
- Institutional Assessment
- Registrar's Office
- Institutional Research
- Sponsored Programs
- North Dakota Center for Persons with Disabilities

### Vice President for Administration & Finance

- Bookstore
- Business Office
- Grants & Contracts
- Information Technology Center
- Facilities
- Post Office
- Human Resources
- Financial Aid
- Safety & Security

### Vice President for Advancement

- Alumni Association
- Board of Regents
- Development Foundation
- University Communications
- Design & Print Services
- Beaver Boosters

### Vice President for Student Affairs

- Native American Cultural Center
- Counseling Services
- Dining Services
- Student Housing & Residence Life
- International Programs
- Student Center
- Student Activities
- Student Organizations
- Student Health
- Military Resource Center
- Wellness Center

### Vice President for Enrollment, Marketing & Outreach

- Admissions & Enrollment
- Marketing
- Center for Extended Learning

### Director of Athletics

- Athletics

### Title IX

BE SEEN. BE HEARD. BE EMPOWERED.

# AUDIT FINDINGS

The June 30, 2022 NDUS financial audit report conducted by the State Auditor's Office contained one finding for Minot State:

*"We recommend that MiSU….properly use fiduciary funds in accordance with GASB 84 and the NDUS Accounting Manual."*

Minot State's Response:

*"Agree. In FY2022, MiSU left its Remittance fund in the fiduciary range. In FY2023, a new BTA fund was created for this fund and the fiduciary fund was inactivated."*

# CAMPUS HIGHLIGHTS

- **Higher Learning Commission Accreditation Visit**
  - Hosted a twice/10-year accreditation visit from HLC in April '22
  - Scored "Met" on all 18 core components; best outcome possible
- **Continued Nursing Partnership with Trinity Health**
  - Began 3rd 5-yr cycle of grant: Trinity provides $250K/yr to MSU & $100K/yr to DCB; 40% growth in nursing grads vs 10 yrs ago
- **"Empowering Generations" capital campaign in-progress**
  - MSU's largest-ever capital campaign with goal of $50M; 4 pillars of Scholarships, Academic Programs, Facilities, and Athletics
  - Publicly announced in Oct. '22; $41.1M raised to-date; ongoing
- **MSU Outdoor Amphitheater**
  - Completed a $2.8M fundraiser for a major renovation to the 50-year old facility; beautiful outdoor campus performing arts space
- **Magic City Daycare**
  - New agreement in 2021; host private daycare on campus
  - 37 attendees have been children of MSU employees/students
  - MSU students observe, work, and do clinical hours at daycare

# CAMPUS HIGHLIGHTS

- **Financing Efficiencies**
  - Restructured MSU debt by advance refunding and reissuing one bond series and the defeasance of another bond
  - Improves MSU's cash flow by ~ $550,000 annually
  - Maintained "A" rating by S&P Global
- **Added Women's Wrestling**
  - 2022-23 was the first season of this intercollegiate sport at MSU
  - Provides added opportunities for females; first team in NDUS
- **Hometown Pride Scholarship**
  - New in 2021; $1000 for freshmen from NW/Northcentral ND
  - 27% increase in 2022 freshmen from the target area
- **10-yr increase: Graduation & Freshmen Retention rates**
  - Graduation: 36% 10 yrs ago to 49% now; Retention: 66% to 72%
- **NSA/DHS Cyber Designation**
  - Feb. '22: designated by Dept. of Homeland Security & National Security Agency as a Center of Excellence in Cyber Defense
  - 3rd four-year campus in ND, SD, MT, & WY with this designation

# DHS/NSA Cyber Defense Designation

## Featured in June '22 "Prairie Business" magazine

PB | HIGHERED
JUNE 2022
VOL 23 ISSUE 6

# MINOT STATE EARNS NATIONAL CYBER DEFENSE DESIGNATION

THE DESIGNATION – CENTER OF ACADEMIC EXCELLENCE IN CYBER DEFENSE BY THE NATIONAL SECURITY AGENCY AND THE DEPARTMENT OF HOMELAND SECURITY – IS AWARDED TO REGIONALLY ACCREDITED ACADEMIC INSTITUTIONS OFFERING CYBERSECURITY DEGREES AND/OR CERTIFICATES AT THE ASSOCIATE, BACHELOR AND GRADUATE LEVELS
IMAGE: COURTESY OF MINOT STATE UNIVERSITY

**MINOT, N.D.** • Minot State University has earned a national cyber-defense designation.

The designation – Center of Academic Excellence in Cyber Defense by the National Security Agency and the Department of Homeland Security – was given to the school's Management Information Systems through 2027.

The designation is awarded to regionally accredited academic institutions offering cybersecurity degrees and/or certificates at the associate, bachelor and graduate levels. The designation process is a combination of elements related to the institution, focused on outputs for determining academic achievement.

This combination assures that the institution meets the desired characteristics of a CAE-CD institution, and that the academic delivery to students is producing the qualified workforce needed by the nation.

"Earning the designation as a Center of Academic Excellence in Cyber Defense by the NSA and DHS is a significant honor for MSU, and specifically our College of Business," said Minot State President Dr. Steven Shirley. "This designation is a strong seal of approval from the federal government regarding our cyber programming, and it will create wonderful new opportunities for current and future MSU students.

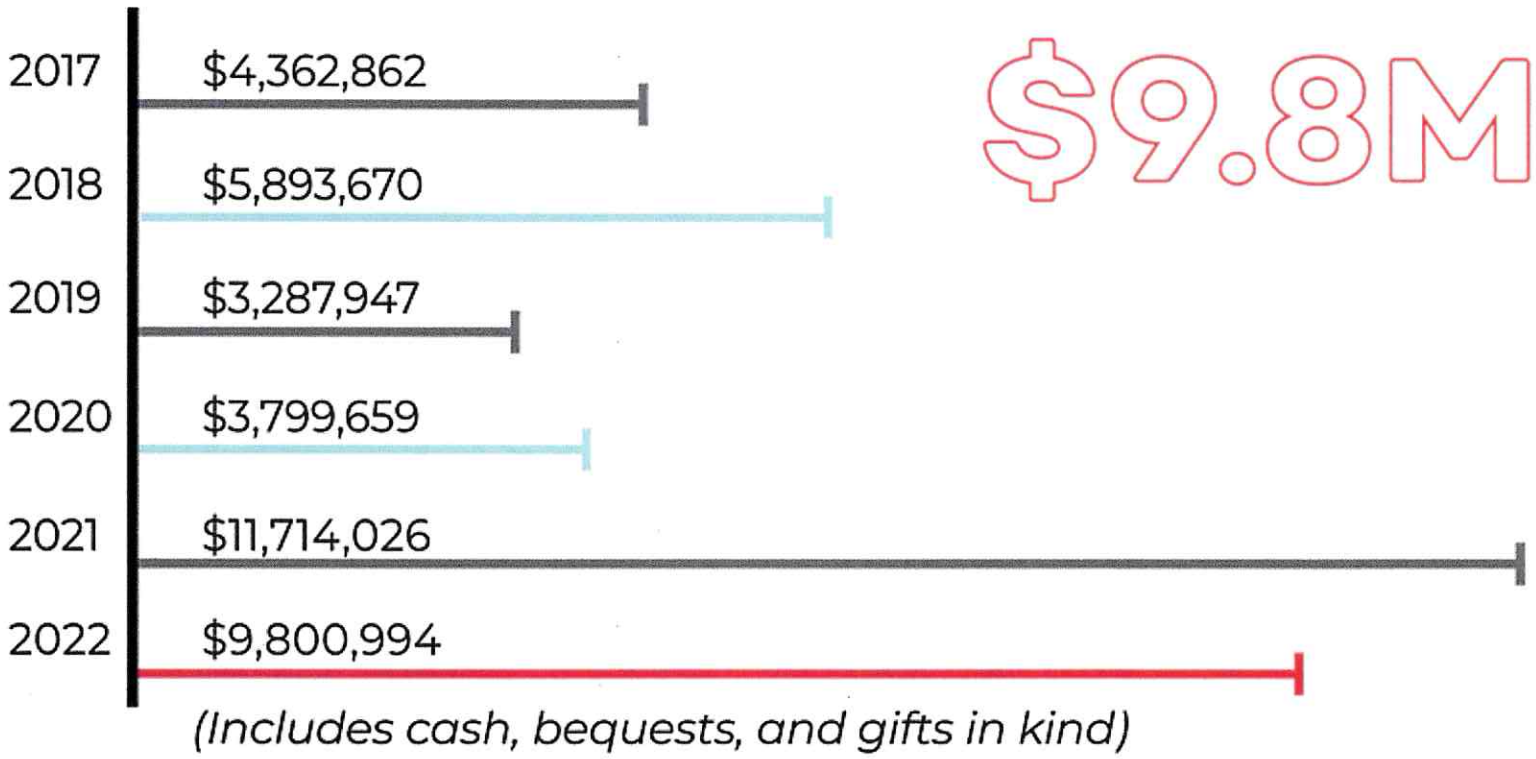
"Faculty have made major strides in both our business information technology and computer science academic areas, and this academic excellence acknowledgment is yet another important affirmation of our expertise in these critical cyber areas."

With this designation, Minot State is formally recognized by the U.S. government for its robust cybersecurity-related programs, having undergone in-depth assessment and met rigorous requirements.

# Fundraising Update and Collaboration with the MSU Foundation

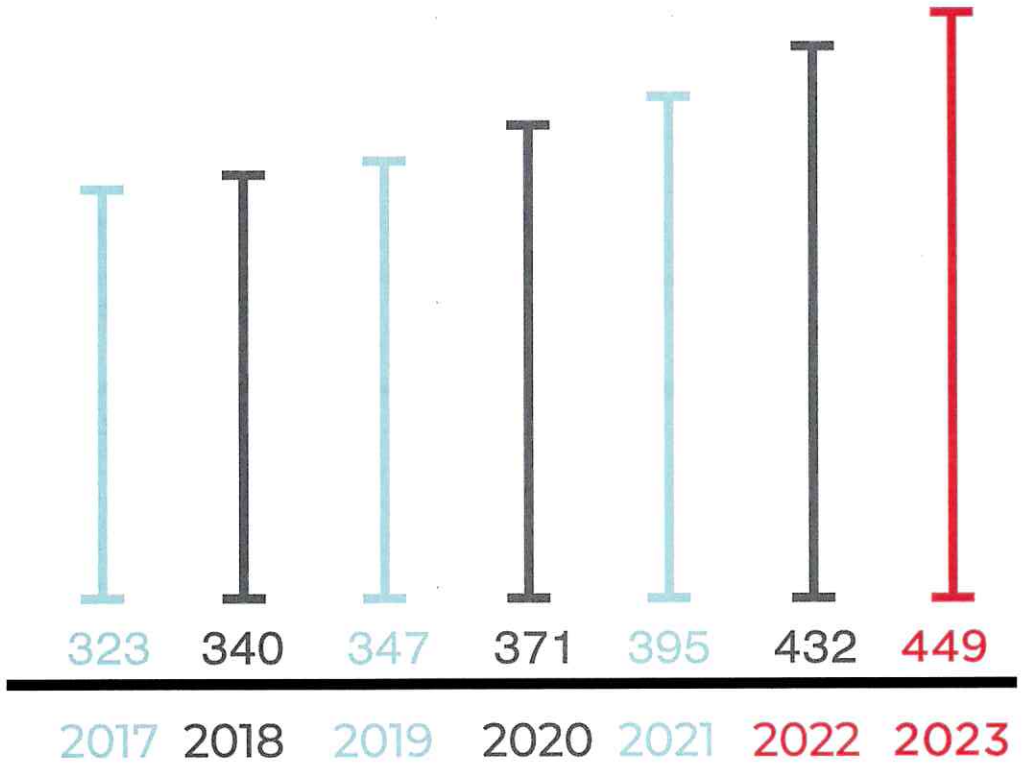
MINOT STATE UNIVERSITY

# Total Support By All Donors — Fiscal Year




*(Includes cash, bequests, and gifts in kind)*

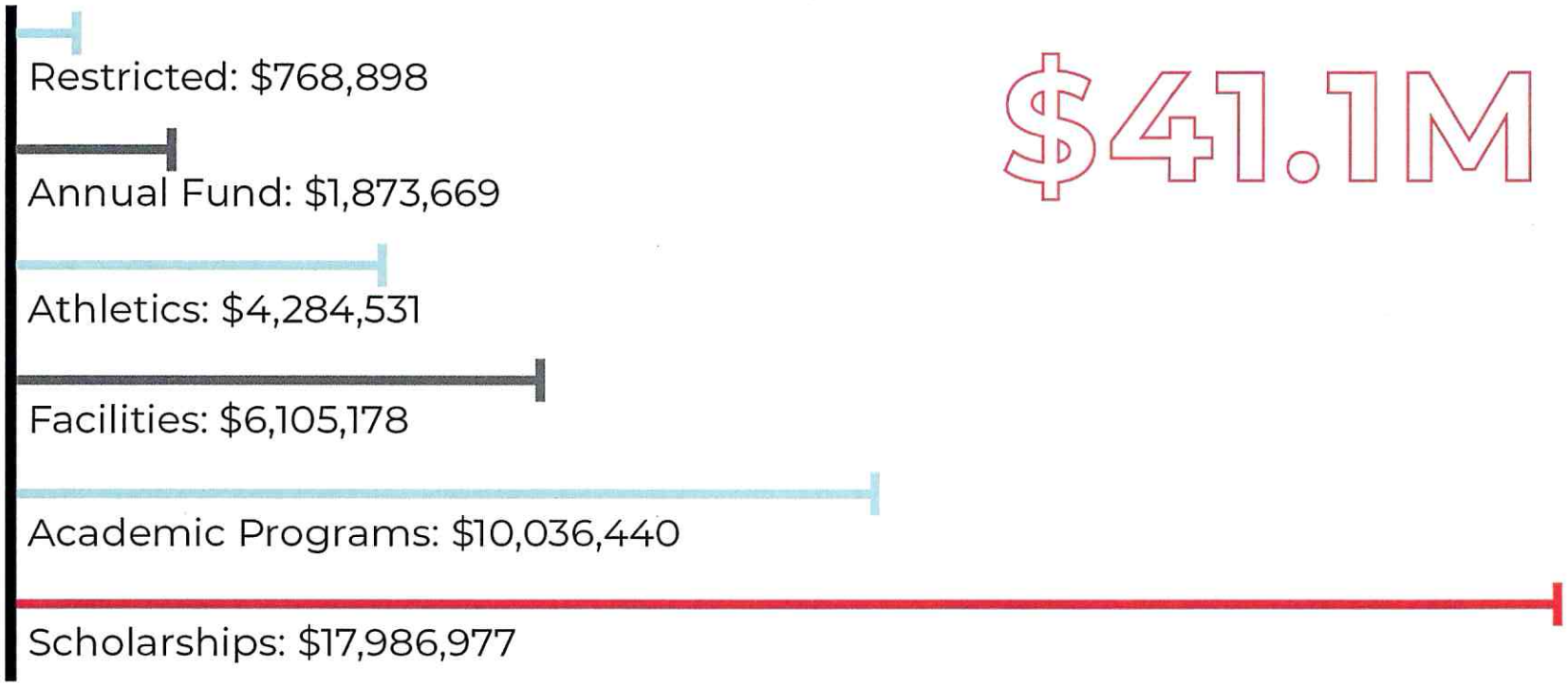
# Fiscal Year Growth of Endowed Scholarships




449

*as of 2-10-2023*

# $50M Capital Campaign — Total Raised as of 2-15-2023




$41.1M

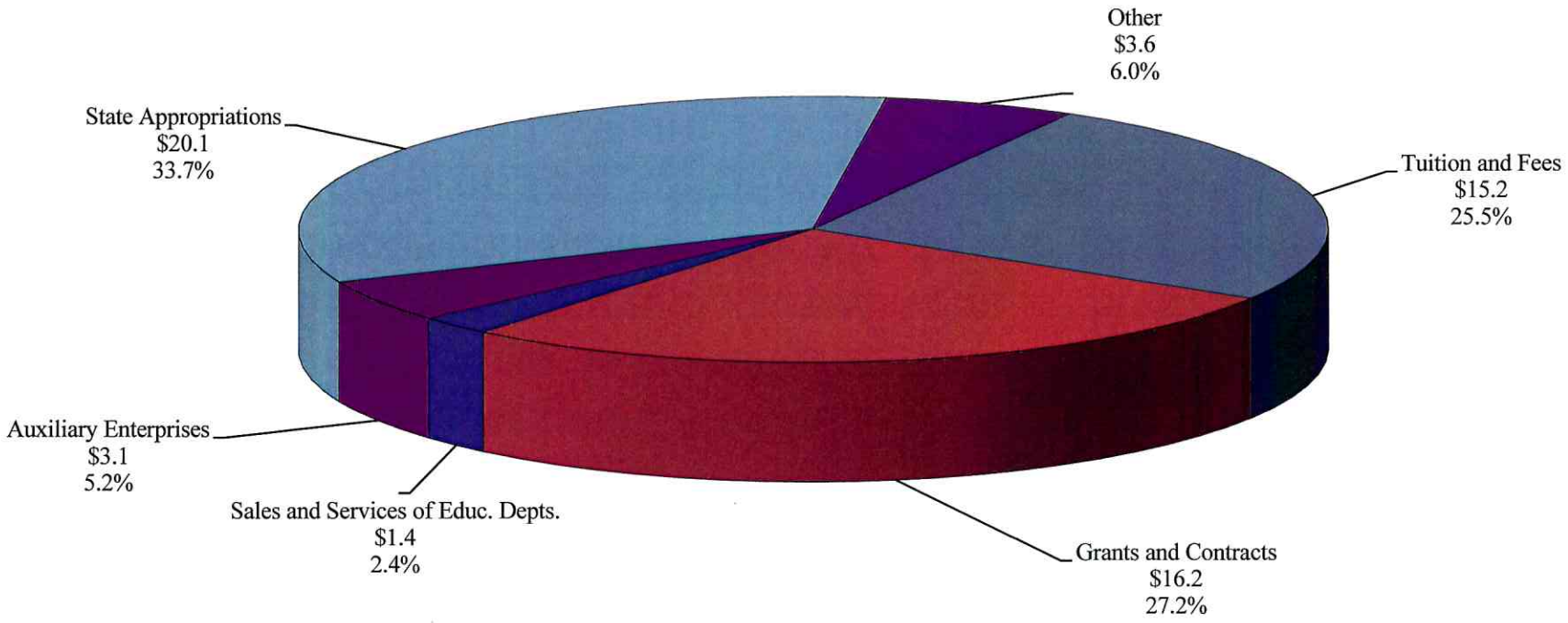
# WORKFORCE INITIATIVES

- **Teacher Education "Aspire Scholars" Program**
  - Partner w/ K-12 to address teacher shortages; "grow your own"
  - HS Scholars nominated; take MSU courses; paired w/ mentor
- **Special Education "Para to Professional" program**
  - Pathway for in-field paras to complete degrees online; DPI grant
  - 27 graduates as of Dec. '22 (began in 2020); more enrolled now
- **MSU School Psychology / Bureau of Indian Ed. partnership**
  - $4.35M, 5-year grant received in Dec. '22 from US Dept. of Education
  - School Psyc. students will work w/ Turtle Mountain schools/NA students
- **Academic Program growth in new Bachelors programs**
  - Cybersecurity & Operations: 4 declared majors in F20; 34 in F22
  - Exercise Science & Rehabilitation: 45 majors in F20; 78 in F22
  - Entrepreneurship: 6 majors in F18; 24 in F22
- **Nursing Support and Scholarship Growth**
  - Trinity partnership; and Challenge grant growth of Nursing scholarships
- **New Academic offerings (UG certificates, associates)**
  - Data Science; Data Analytics; Associates in Accounting
- **Social Work @ NDSU**
  - Dual degree; MSU delivers the BSW degree at NDSU; 60-80 students

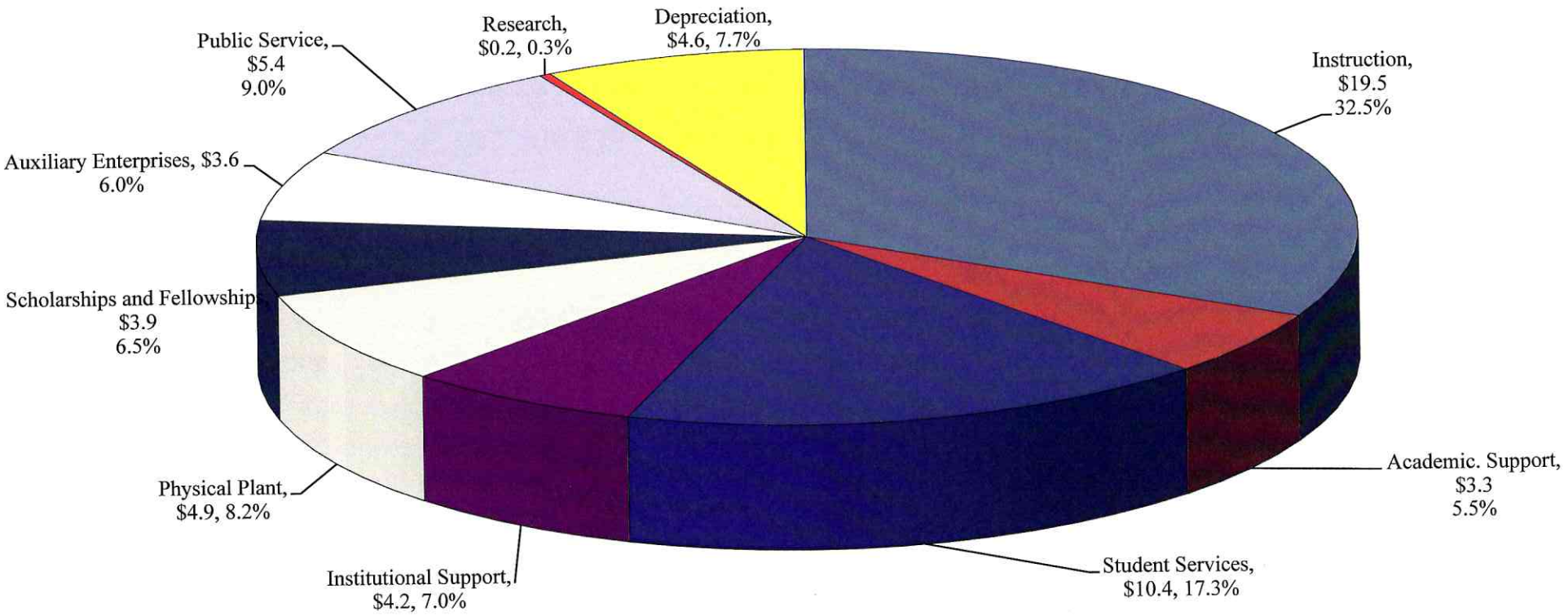
# CURRENT CHALLENGES/PRIORITIES

- **Enrollment**
  - Student enrollment is 2,777 in Fall '22; it was 3,348 in Fall '15 – a 17% drop in 7 years; similar to regional and national trends
  - New strategies include addition of Hometown Pride scholarship; 4-year renewable scholarship; new/revised academic programs
- **Competitive Salaries**
  - Competition for talent from both other governmental agencies & the private sector is creating recruitment/retention challenges
  - Currently reviewing and increasing salaries where possible with certain position classifications and lower-level wage earners
- **Inflationary impacts of materials/goods**
  - Renovation and construction project costs have escalated dramatically during the past 12-24 months
  - Utilities, food costs, transportation, and other ongoing operating expenditures are driving costs up across every aspect of campus

# Minot State University
# Total Revenue, Excluding Capital
# Fiscal Year 2022
### ($ in millions)
### Total Revenue $59.6 million



**Minot State University**
**Operating Expenses by Function**
**(excluding capital items and other nonoperating expenses)**
**Fiscal Year 2022**
**(in millions)**
**Total Operating Expenses: $60.0 million**



# Minot State University

## Comparison of 2021-23 Base Budget, Needs-Based Request and 2023-25 HB 1003 Engrossed

| | 2021-23 Base Level | 2023-25 SBHE Needs-Based Budget | 2023-25 HB 1003 Engrossed | HB 1003 Difference from 2021-23 Base Level |
|---|---|---|---|---|
| Campus Operations | $ 104,154,777 | $ 105,070,241 | $ 113,814,501 | $ 9,659,724 |
| Capital Assets | $ 1,099,620 | $ 2,820,760 | $ 12,964,620 | $ 11,865,000 |
| Behavioral Hlth Initiative | | $ 170,000 | $ 170,000 | $ 170,000 |
| **Total Appropriation** | **$ 105,254,397** | **$ 108,061,001** | **$ 126,949,121** | **$ 21,694,724** |
| | | | | |
| General Fund | $ 41,206,630 | $ 43,680,994 | $ 47,396,793 | $ 6,190,163 |
| Special Funds | $ 64,047,767 | $ 64,380,007 | $ 79,552,328 | $ 15,504,561 |
| **Total Funding Sources** | **$ 105,254,397** | **$ 108,061,001** | **$ 126,949,121** | **$ 21,694,724** |

# MINOT STATE UNIVERSITY

## 2023-2025 General Funds Budgets Comparison

| | SBHE Request | HB 1003 Engrossed | |
|---|---|---|---|
| 2021-2023 General Fund Base Budget | $ 41,206,630 | $ 41,206,630 | |
| Base Budget Request | | | |
| - Funding Formula increase | $ 1,342,514 | $ 1,342,514 | |
| - Salary continuation adjustment | $ 196,850 | $ 196,850 | |
| - Salary Increase | | $ 2,944,280 | |
| - Health Insurance Increase | | $ 1,536,519 | |
| - Behavioral Health Initiative | $ 170,000 | $ 170,000 | |
| Total Base General Fund Request | $ 1,709,364 | $ 6,190,163 | |
| 2023-2025 General Fund Base Budget | $ 42,915,994 | $ 47,396,793 | |
| One-Time Capital Funding | | | |
| Dakota Hall Renovation | $ 765,000 | $ 765,000 | (SIIF) |
| Academic Buildings Renovations | | $ 7,600,000 | (SIIF) |

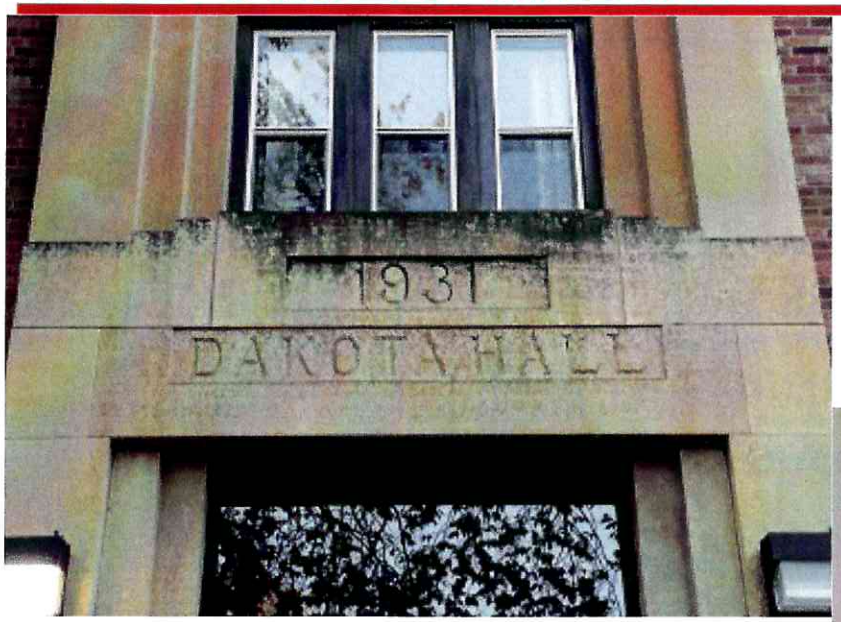
# UPDATE - NOV. '21 SPECIAL SESSION APPROPRIATION

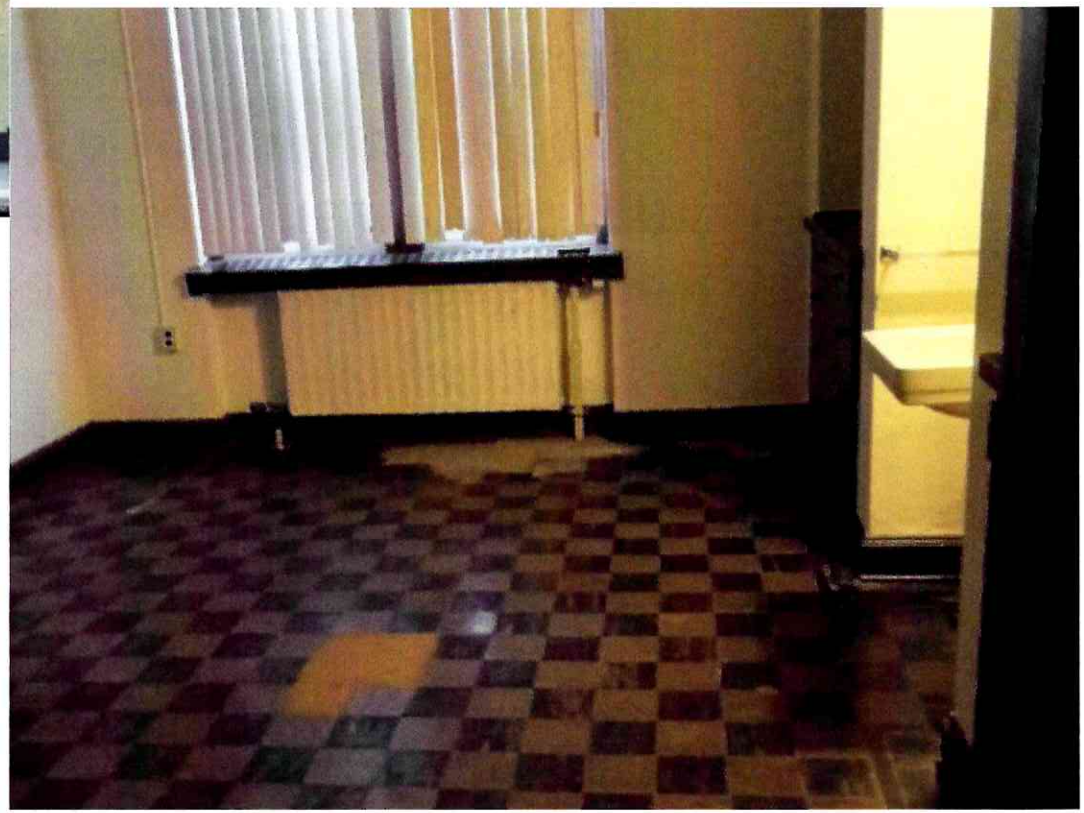
- $25M appropriation for Hartnett Hall
- Construction underway – environmental/asbestos remediation completed last spring and renovation began last summer
- Scheduled for completion in Dec. '23 / Jan. '24
- THANK YOU!

# ONE-TIME FUNDING - DAKOTA HALL DEMOLITION

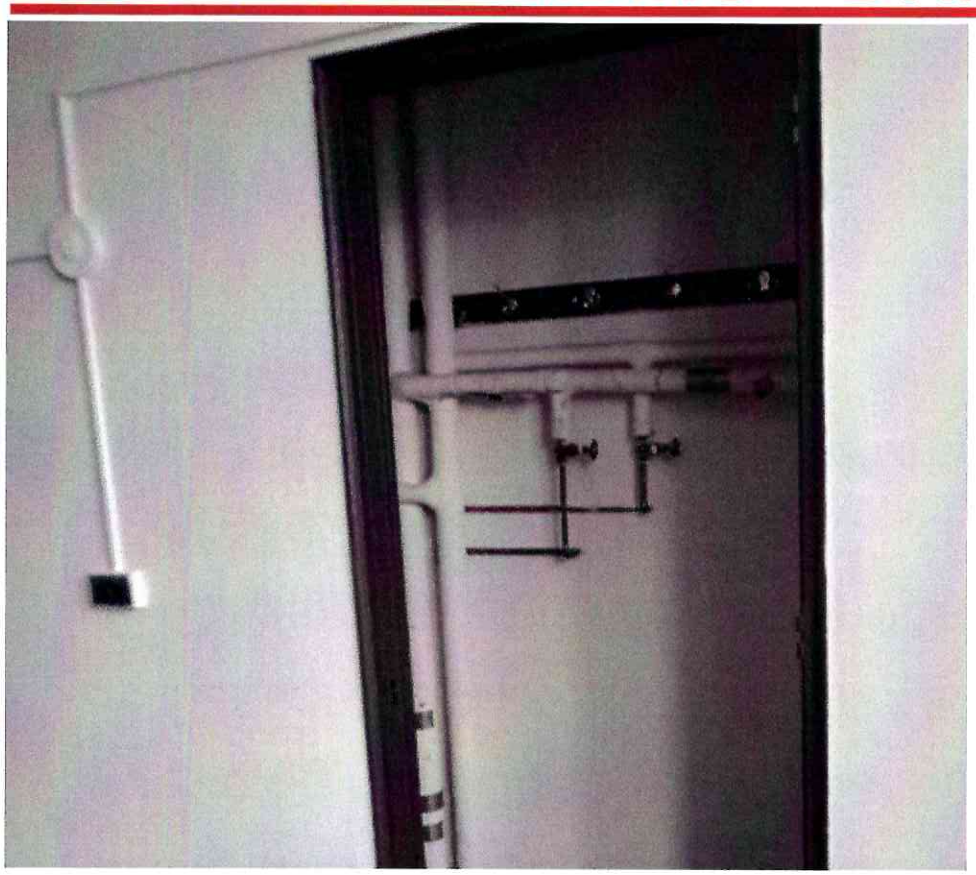
- $765,000 demolition; 29,736 square foot building
- Residence Hall built in 1931; poor quality housing - mostly vacant – no current student occupants; (Daycare on 1st floor)
- Ranked in 1st group by SBHE among campus capital projects
- Full renovation estimated at $6.5M+; asbestos, new room layouts, full plumbing replacement, new fire suppression, elevator, flooring, new roof, electrical upgrades.
- Non-competitive - old-style residence hall. Plenty of other modern, suite-style apartment options on/near campus
- Demolition would save steam loop heating, electricity, insurance, maintenance; approximately $50,000/annually

# ONE-TIME FUNDING - DAKOTA HALL DEMOLITION





# ONE-TIME FUNDING - DAKOTA HALL DEMOLITION



# ONE-TIME FUNDING - $8M IN HOUSE HB1003 – FOR ACADEMIC SPACE RENOVATIONS

- Nursing Program Expansion
- Hoffman Science Auditorium renovation
- Biology Greenhouse Replacement
- Restore Scope Reductions to Hartnett Hall project
- Classroom updates and modernizations
- Model Hall renovations
  - Computer Science/Cybersecurity modernization
  - Math

# SPECIAL FUNDS AUTHORITY – MSU STUDENT CENTER 2ND FLOOR RENOVATION

- Students voted in March 2022 to self-fund a renovation of the 2nd Floor of the Student Center
- Expands student gathering and activity spaces in the Center
- $3.1 million renovation
- Seeking special funds Legislative authority for bond financing
  - funded from a new student fee ($87.12/student/semester)
  - no state funding required

# MINOT STATE UNIVERSITY SUPPORTS:

- The HB 1003 House increases for the compensation package
- A construction inflation adjustment for ARPA-funded projects
- Behavioral/Mental Health Initiative funding in HB1003
- Continued support/increases to the Challenge Fund
  - The Higher Ed Challenge Fund has been a MAJOR boost with donor philanthropy to grow scholarships

# THANK YOU FOR YOUR TIME TODAY AND YOUR SERVICE TO NORTH DAKOTA

## QUESTIONS?

MINOT STATE UNIVERSITY

# North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | | House Changes to Executive Budget Increase (Decrease) - Executive Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 | | 1,439,734 | 542,026 | 1,981,760 | | ($501,036) | ($181,778) | (682,814) |
| Health insurance increase | | 496,486 | 242,398 | 738,884 | | 507,907 | 247,974 | 755,881 | | 11,421 | 5,576 | 16,997 |
| Adds funding for financial aid staff | | | | 0 | | 125,000 | | 125,000 | | 125,000 | | 125,000 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 | | | | 0 |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) | | | | 0 | | | 1,500,000 | 1,500,000 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 | | | | 0 |
| Adds funding for tribal college grants to provide a total of $2 million | | | | 0 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | | | 0 | | 12,000,000 | | 12,000,000 | | 12,000,000 | | 12,000,000 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 | | | | 0 |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 | | 4,500,000 | | 4,500,000 | | 2,000,000 | | 2,000,000 |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 | | | | 0 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) | | | | 0 |
| Adds funding to limit tuition increases | | | | 0 | | 939,310 | | 939,310 | | 939,310 | | 939,310 |
| Total ongoing funding changes | 4.00 | $5,000,138 | ($451,600) | $4,548,538 | 4.00 | $20,574,833 | $872,198 | $21,447,031 | 0.00 | $15,574,695 | $1,323,798 | $16,898,493 |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding for the higher education challenge grant program | | | $50,000,000 | $50,000,000 | | $36,000,000 | | $36,000,000 | | $36,000,000 | ($50,000,000) | ($14,000,000) |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 | | | | 0 | | (3,640,624) | | (3,640,624) |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,554,354 | | 1,554,354 | | | | 0 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 | | | | 0 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 | | | | 0 | | | (10,000,000) | (10,000,000) |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 | | | | 0 |
| Adds funding for support of single parents | | | | 0 | | 4,500,000 | | 4,500,000 | | 4,500,000 | | 4,500,000 |
| Adds funding for passthrough grants | | | | 0 | | 20,100,000 | | 20,100,000 | | 20,100,000 | | 20,100,000 |
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $56,959,376 | ($60,000,000) | ($3,040,624) |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Changes to Base Level Funding** | 4.00 | $20,645,116 | $59,548,400 | $80,193,516 | 4.00 | $93,179,187 | $872,198 | $94,051,385 | 0.00 | $72,534,071 | ($58,676,202) | $13,857,869 |
| **2023-25 Total Funding** | 162.83 | $137,543,592 | $85,305,435 | $222,849,027 | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 | 0.00 | $72,534,071 | ($58,676,202) | $13,857,869 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(1.8%)* | *3.2%* | *2.5%* | *17.6%* | *3.4%* | *15.0%* | | | | |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *231.2%* | *56.2%* | *2.5%* | *79.7%* | *3.4%* | *65.9%* | | | | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| MaSU Old Main renovation | | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1. |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including the LRSC wind turbine replacement, DSU agriculture and technical education building, MaSU Old Main renovation, MiSU Dakota Hall demolition, and DCB Old Main renovation, is from SIIF. | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. |
| NDSU workforce education | | Section 7 identifies $4.8 million appropriated from the general fund to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs. |
| Support for single parents | | Section 8 identifies $4.5 million appropriated from the general fund to the University System office is for support for single mothers. |
| Severance agreement transfer | | Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval. |
| Dual-credit tuition scholarships | | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. |
| Career builders | | Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. |
| Capital projects requests - Restriction | | Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Project management oversight | Section 10 would require 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. | Section 16 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. |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. |
| Higher education trends - Report | | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. |
| Academic program approval | | Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days. |
| Disclosure of financial condition | | Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. |
| Campus policies and procedures | | Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance. |
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. | Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. |
| Workforce Development Council | | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. |
| Capital project requests - Matching funds | | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. |
| Student financial assistance grants | | Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure. |
| Digitization of Theodore Roosevelt documents | | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Transfer authority | Section 12 would provide 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 assets. | Section 39 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 assets. |
| FTE positions | Section 13 would authorize 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. | Section 40 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. |
| Capital building fund - Matching funds exemption | | Section 41 provides an exemption to allow LRSC to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects. | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects. |
| Tuition rate increase limitation | | Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year. |
| Dental hygienist credits | | Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. | |

**2023 - 2027 Agriculture and Institution Capital Project**
**Revised 02/13/2023**

| Institution | Project Title | Project Total | Funding Source | | Project Type |
|---|---|---|---|---|---|
| | | | General Funds | Local Match | |
| 1 MaSU | Old Main Renovation | 49,900,000 | 49,900,000 | | |
| 7 NDSCS | Agriculture, Automation & Autonomous Systems | 19,975,000 | 18,975,000 | 1,000,000 | Major renovation to existing facilities and new construction |
| 2 DSU | Agriculture & Technical Education Buildings | 18,000,000 | 17,100,000 | 900,000 | Major renovation to existing facility |
| 1 DCB | Old Main/Center for Rural Health Education | 5,300,000 | 4,300,000 | 1,000,000 | Major renovation to existing facility |
| 1 LRSC | Wind Turbine Gearbox Replacement | 600,000 | 600,000 | | Equipment repair |
| 1 MiSU | Dakota Residence Hall Demolition | 765,000 | 765,000 | | Removal of facility |
| 3 NDSU | Center for Engineering & Computational Sciences | 84,000,000 | 59,000,000 | 25,000,000 | New construction with major renovation to existing facility |
| 4 VSCU | McCarthy Hall Renovation | 13,500,000 | 11,500,000 | 2,000,000 | Renovation to existing facility |
| 5 UND | Science, Engineering & Natural Security Corridor Planning & Demolition | 82,000,000 | 57,400,000 | 24,600,000 | Renovation, removal and planning |
| 6 BSC | Multipurpose Academic & Performance Center | 31,500,000 | 29,900,000 | 1,600,000 | New construction with demolition of existing facility |
| 8 WSC | Medical Healthcare Building | 36,600,000 | 34,750,000 | 1,850,000 | New construction |
| UND | STEM Building | 75,000,000 | 52,000,000 | 23,000,000 | |
| MiSU | MiSU Academic | 8,000,000 | 7,600,000 | 400,000 | Nursing, computer science, math, science |
| | State General Fund Projects | 425,140,000 | 343,790,000 | 80,950,000 | |

1 Four year capital project plan: 07/01/2023 - 06/30/2027
2 NDUS could not request any capital construction projects for the 4 year period.
3 NDUS could approve projects that are 100% funded through local or other special funds during the 4 year period including Residence Halls, etc.
4 Universities/colleges are required to have the local pledge/other funds secured before any General Funds can be disbursed for the projects.
5 Universities/colleges will have four years to obtain local/special funds.
6 Any inflationary or other costs that exceed the project total would have to be paid through local/special funds and the obligation of the state would remain as listed.
7 The cost of the project can be less than the project total as listed above. However, the local match percentage requirement will still remain the same and correlate to the project total.
8 Other funds can be used for the planning process of a project. However, the amount spent for the planning and etc. can not be counted toward the local match.
9 Any additional funds over the local match authorization can be used for the project.
10 The Capital projects for the total four years would be appropriated during the 2023-2025 biennium.
11 Budget section approval prior to disbursement of general funds.
12 Funding source would be through the SIFF (Strategic Investment and Improvement Fund).

# North Dakota University System Office - Budget No. 215
# House Bill No. 1003
# Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | | House Changes to Executive Budget Increase (Decrease) - Executive Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 |
| Salary increase | | 1,940,770 | 723,804 | 2,664,574 | | 1,439,734 | 542,026 | 1,981,760 | | ($501,036) | ($181,778) | (682,814) |
| Health insurance increase | | 496,486 | 242,398 | 738,884 | | 507,907 | 247,974 | 755,881 | | 11,421 | 5,576 | 16,997 |
| Adds funding for financial aid staff | | | | 0 | | 125,000 | | 125,000 | | 125,000 | | 125,000 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 | | | | 0 |
| Removes funding for the dual-credit tuition scholarship | | | (1,500,000) | (1,500,000) | | | | 0 | | | 1,500,000 | 1,500,000 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 | | | | 0 |
| Adds funding for tribal college grants to provide a total of $2 million | | | | 0 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | | | 0 | | 12,000,000 | | 12,000,000 | | 12,000,000 | | 12,000,000 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 | | | | 0 |
| Adds funding for software costs and a security operations center | | 2,500,000 | | 2,500,000 | | 4,500,000 | | 4,500,000 | | 2,000,000 | | 2,000,000 |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 | | | | 0 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) | | | | 0 |
| Adds funding to limit tuition increases | | | | 0 | | 939,310 | | 939,310 | | 939,310 | | 939,310 |
| Total ongoing funding changes | 4.00 | $5,000,138 | ($451,600) | $4,548,538 | 4.00 | $20,574,833 | $872,198 | $21,447,031 | 0.00 | $15,574,695 | $1,323,798 | $16,898,493 |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding for the higher education challenge grant program | | | $50,000,000 | $50,000,000 | | $36,000,000 | | $36,000,000 | | $36,000,000 | ($50,000,000) | ($14,000,000) |
| Adds funding for the behavioral health initiative | | $3,640,624 | | 3,640,624 | | | | 0 | | (3,640,624) | | (3,640,624) |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,554,354 | | 1,554,354 | | | | 0 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 | | | | 0 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | 10,000,000 | 10,000,000 | | | | 0 | | | (10,000,000) | (10,000,000) |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 | | | | 0 |
| Adds funding for support of single parents | | | | 0 | | 4,500,000 | | 4,500,000 | | 4,500,000 | | 4,500,000 |
| Adds funding for passthrough grants | | | | 0 | | 20,100,000 | | 20,100,000 | | 20,100,000 | | 20,100,000 |
| Total one-time funding changes | 0.00 | $15,644,978 | $60,000,000 | $75,644,978 | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $56,959,376 | ($60,000,000) | ($3,040,624) |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Changes to Base Level Funding** | 4.00 | $20,645,116 | $59,548,400 | $80,193,516 | 4.00 | $93,179,187 | $872,198 | $94,051,385 | 0.00 | $72,534,071 | ($58,676,202) | $13,857,869 |
| **2023-25 Total Funding** | 162.83 | $137,543,592 | $85,305,435 | $222,849,027 | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 | 0.00 | $72,534,071 | ($58,676,202) | $13,857,869 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *4.3%* | *(1.8%)* | *3.2%* | *2.5%* | *17.6%* | *3.4%* | *15.0%* | | | | |
| *Total changes as a percentage of base level* | *2.5%* | *17.7%* | *231.2%* | *56.2%* | *2.5%* | *79.7%* | *3.4%* | *65.9%* | | | | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Additional funds appropriation authority | Section 9 would appropriate any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| MaSU Old Main renovation | | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. |
| Extraordinary repairs matching funds | Section 14 would require institutions to match state extraordinary repairs funding on a $2 to $1 basis using operations or other funding. | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1. |
| Strategic investment and improvements fund | Section 20 would identify $9,624,100 for capital projects, including the LRSC wind turbine replacement, DSU agriculture and technical education building, MaSU Old Main renovation, MiSU Dakota Hall demolition, and DCB Old Main renovation, is from SIIF. | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. |
| NDSU workforce education | | Section 7 identifies $4.8 million appropriated from the general fund to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs. |
| Support for single parents | | Section 8 identifies $4.5 million appropriated from the general fund to the University System office is for support for single mothers. |
| Severance agreement transfer | | Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval. |
| Dual-credit tuition scholarships | | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. |
| Career builders | | Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program. |
| Capital building fund program | Sections 15 and 16 would provide for the continuation of the capital building fund program, including a transfer of $19 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. |
| Capital projects requests - Restriction | | Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Project management oversight | Section 10 would require 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. | Section 16 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. |
| UND School of Medicine and Health Sciences funding | Section 11 would authorize the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. |
| Higher education trends - Report | | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. |
| Academic program approval | | Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days. |
| Disclosure of financial condition | | Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. |
| Campus policies and procedures | | Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance. |
| Higher education challenge grants | Sections 3 and 5 would adjust the higher education challenge grant statutory language and provide for the distribution of up to $50 million of grant funds to eligible institutions. Section 4 would eliminate the allocation of higher education challenge grant funds for the UND School of Law. | Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. |
| Workforce Development Council | | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. |
| Capital project requests - Matching funds | | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. |
| Higher education funding formula | Section 6 would adjust the base credit-hour funding rates of the higher education funding formula. Section 7 would restore the 96 percent minimum amount payable provision in the higher education funding formula. | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. |
| Student financial assistance grants | | Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure. |
| Digitization of Theodore Roosevelt documents | | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | Executive Budget Recommendation | House Version |
|---|---|---|
| Carryover authority | Section 8 would continue the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Transfer authority | Section 12 would provide 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 assets. | Section 39 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 assets. |
| FTE positions | Section 13 would authorize 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. | Section 40 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. |
| Capital building fund - Matching funds exemption | | Section 41 provides an exemption to allow LRSC to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. |
| Capital projects carryover | Sections 17 and 21 through 28 would provide exemptions for institutions to continue appropriation authority for various capital projects. | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects. |
| Tuition rate increase limitation | | Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year. |
| Dental hygienist credits | | Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. |
| Legacy earnings fund | Sections 18 and 19 would identify $60 million, including $50 million for higher education challenge grants and $10 million for energy workforce education scholarships, is from the legacy earnings fund. | |

# Forest Service - Budget No. 244
# House Bill No. 1003
# Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | | House Changes to Executive Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Increase (Decrease) - Executive Budget | | | |
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 28.00 | $4,792,478 | $10,669,315 | $15,461,793 | 28.00 | $4,792,478 | $10,669,315 | $15,461,793 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | | $30,847 | | $30,847 | | $30,847 | | $30,847 | | | | $0 |
| Salary increase | | 299,702 | $8,672 | 308,374 | | 233,644 | $6,491 | 240,135 | | ($66,058) | ($2,181) | (68,239) |
| Health insurance increase | | 128,594 | 5,144 | 133,738 | | 131,552 | 5,262 | 136,814 | | 2,958 | 118 | 3,076 |
| Adds special funds authority for the Towner state nursery | | | 200,000 | 200,000 | | | 200,000 | 200,000 | | | | 0 |
| Adds funding for the cooperative fire protection initiative, including 1 FTE natural and physical sciences professional position | 1.00 | 187,000 | | 187,000 | 1.00 | 187,000 | | 187,000 | | | | 0 |
| Adds funding for forest recreation enhancement, including maintenance and enhancements of trails, campgrounds, and recreation areas | | 200,000 | | 200,000 | | 200,000 | | 200,000 | | | | 0 |
| Adds funding from grants to enhance services | | | 8,258,141 | 8,258,141 | | | 8,258,141 | 8,258,141 | | | | 0 |
| Total ongoing funding changes | 1.00 | $846,143 | $8,471,957 | $9,318,100 | 1.00 | $783,043 | $8,469,894 | $9,252,937 | 0.00 | ($63,100) | ($2,063) | ($65,163) |
| **One-Time Funding Items** | | | | | | | | | | | | |
| No one-time funding items | | | | $0 | | | | $0 | | | | $0 |
| Total one-time funding changes | 0.00 | $0 | $0 | $0 | 0.00 | $0 | $0 | $0 | 0.00 | $0 | $0 | $0 |
| **Total Changes to Base Level Funding** | 1.00 | $846,143 | $8,471,957 | $9,318,100 | 1.00 | $783,043 | $8,469,894 | $9,252,937 | 0.00 | ($63,100) | ($2,063) | ($65,163) |
| **2023-25 Total Funding** | 29.00 | $5,638,621 | $19,141,272 | $24,779,893 | 29.00 | $5,575,521 | $19,139,209 | $24,714,730 | 0.00 | ($63,100) | ($2,063) | ($65,163) |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *3.6%* | *17.7%* | *79.4%* | *60.3%* | *3.6%* | *16.3%* | *79.4%* | *59.8%* | | | | |
| *Total changes as a percentage of base level* | *3.6%* | *17.7%* | *79.4%* | *60.3%* | *3.6%* | *16.3%* | *79.4%* | *59.8%* | | | | |

# North Dakota University System Institutions
## House Bill No. 1003
## Base Level Funding Changes

| | Executive Budget Recommendation | | | | House Version | | | | House Changes to Executive Budget Increase (Decrease) - Executive Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 6,347.16 | $564,637,572 | $1,890,343,689 | $2,454,981,261 | 6,347.16 | $564,637,572 | $1,890,343,689 | $2,454,981,261 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll adjustments, including cost to continue 2021-23 biennium salary increases | 66.92 | $2,791,083 | $6,792,579 | $9,583,662 | 66.92 | $2,791,083 | $6,792,579 | $9,583,662 | | | | $0 |
| Salary increase, including tuition freeze | | 26,387,561 | 58,773,575 | 85,161,136 | | 56,188,818 | 43,734,586 | 99,923,404 | | $29,801,257 | ($15,038,989) | 14,762,268 |
| Health insurance increase, including tuition freeze | | 9,248,054 | 22,753,804 | 32,001,858 | | 21,802,260 | 23,277,233 | 45,079,493 | | 12,554,206 | 523,429 | 13,077,635 |
| Student credit-hour completion adjustment | | (9,265,083) | | (9,265,083) | | (9,275,245) | | (9,275,245) | | (10,162) | | (10,162) |
| Minimum amount payable allocation | | 5,215,694 | | 5,215,694 | | 2,229,750 | | 2,229,750 | | (2,985,944) | | (2,985,944) |
| Formula adjustment | | | | 0 | | 4,807,379 | | 4,807,379 | | 4,807,379 | | 4,807,379 |
| Special funds adjustment | | | 4,500 | 4,500 | | | 4,500 | 4,500 | | | | 0 |
| Research networks | | | | 0 | | 6,402,200 | | 6,402,200 | | 6,402,200 | | 6,402,200 |
| Total ongoing funding changes | 66.92 | $34,377,309 | $88,324,458 | $122,701,767 | 66.92 | $84,946,245 | $73,808,898 | $158,755,143 | 0.00 | $50,568,936 | ($14,515,560) | $36,053,376 |
| **One-Time Funding Items** | | | | | | | | | | | | |
| LRSC wind turbine replacement | | | $600,000 | $600,000 | | | $600,000 | $600,000 | | | | $0 |
| BSC multipurpose academic and athletics center | | | | 0 | | | 31,500,000 | 31,500,000 | | | $31,500,000 | 31,500,000 |
| WSC medical health care building | | | | 0 | | | 36,600,000 | 36,600,000 | | | 36,600,000 | 36,600,000 |
| WSC turf project | | | | 0 | | | 7,313,939 | 7,313,939 | | | 7,313,939 | 7,313,939 |
| UND EERC facility | | | 33,000,000 | 33,000,000 | | | 33,000,000 | 33,000,000 | | | | 0 |
| UND science, engineering, and national security corridor | | | | 0 | | | 82,000,000 | 82,000,000 | | | 82,000,000 | 82,000,000 |
| UND STEM building | | | | 0 | | | 75,000,000 | 75,000,000 | | | 75,000,000 | 75,000,000 |
| UND national security initiative | | | | 0 | | $45,000,000 | | 45,000,000 | | $45,000,000 | | 45,000,000 |
| NDSU music building | | | 20,000,000 | 20,000,000 | | | 20,000,000 | 20,000,000 | | | | 0 |
| NDSU Sudro Hall expansion | | | 3,000,000 | 3,000,000 | | | 3,000,000 | 3,000,000 | | | | 0 |
| NDSU center for engineering and computational sciences | | | | 0 | | | 84,000,000 | 84,000,000 | | | 84,000,000 | 84,000,000 |
| NDSU workforce education | | | | 0 | | 4,800,000 | | 4,800,000 | | 4,800,000 | | 4,800,000 |
| NDSCS agriculture, automation, and autonomous systems building | | | | 0 | | | 19,975,000 | 19,975,000 | | | 19,975,000 | 19,975,000 |
| DSU agriculture and technical education building | | | 900,000 | 900,000 | | | 18,000,000 | 18,000,000 | | | 17,100,000 | 17,100,000 |
| MaSU Old Main renovation | | | 3,779,100 | 3,779,100 | | | 49,970,100 | 49,970,100 | | | $46,191,000 | 46,191,000 |
| MiSU Dakota Hall demolition | | | 765,000 | 765,000 | | | 765,000 | 765,000 | | | | 0 |
| MiSU academic building | | | | 0 | | | 8,000,000 | 8,000,000 | | | 8,000,000 | 8,000,000 |
| MiSU student center renovation | | | | 0 | | | 3,100,000 | 3,100,000 | | | 3,100,000 | 3,100,000 |
| VCSU Osmon Field House addition | | | 20,000,000 | 20,000,000 | | | 20,000,000 | 20,000,000 | | | | 0 |
| VCSU Student Center renovation | | | 2,000,000 | 2,000,000 | | | 2,000,000 | 2,000,000 | | | | 0 |
| VCSU McCarthy Hall | | | | 0 | | | 13,500,000 | 13,500,000 | | | 13,500,000 | 13,500,000 |
| DCB Old Main renovation | | | 3,700,000 | 3,700,000 | | | 5,300,000 | 5,300,000 | | | 1,600,000 | 1,600,000 |
| Behavioral health initiative | | | | 0 | | 3,640,624 | | 3,640,624 | | 3,640,624 | | 3,640,624 |
| Total one-time funding changes | 0.00 | $0 | $87,744,100 | $87,744,100 | 0.00 | $53,440,624 | $513,624,039 | $567,064,663 | 0.00 | $53,440,624 | $425,879,939 | $479,320,563 |
| **Total Changes to Base Level Funding** | 66.92 | $34,377,309 | $176,068,558 | $210,445,867 | 66.92 | $138,386,869 | $587,432,937 | $725,819,806 | 0.00 | $104,009,560 | $411,364,379 | $515,373,939 |
| **2023-25 Total Funding** | 6,414.08 | $599,014,881 | $2,066,412,247 | $2,665,427,128 | 6,414.08 | $703,024,441 | $2,477,776,626 | $3,180,801,067 | 0.00 | $104,009,560 | $411,364,379 | $515,373,939 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *1.1%* | *6.1%* | *4.7%* | *5.0%* | *1.1%* | *15.0%* | *3.9%* | *6.5%* | | | | |
| *Total changes as a percentage of base level* | *1.1%* | *6.1%* | *9.3%* | *8.6%* | *1.1%* | *24.5%* | *31.1%* | *29.6%* | | | | |

| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 |
|---|---|---|---|---|---|---|---|
| **INSTITUTION** | **Prelim Estimated Incr(Decr) Base Funding for 2023-25** | **Increase/ (Decrease) Due to CTE Weighting Change to 5.0 and Dental Hygiene** | **Institution Increase/ (Decrease) in Funding Formula with CTE and Dental Hygiene Adjustments** (Column 1 + Column 2) | **Percent of 2021-23 Biennium Base Funding** | **2023-25 Adjustment for 96% Minimum Amount Payable** | **Engrossed HB1003 Funding Formula includes 96% MAP, CTE & Dental Hygiene Adjustments** (Column 1 + Column 2 + Column 5) | **Percent of 2021-23 Biennium Base Funding after 96% Statutory Limit** |
| BSC | $ (843,194) | $ 1,306,862 | $ 463,668 | 1.4% | $ - | $ 463,668 | 1.4% |
| DCB | 428,768 | - | 428,768 | 4.5% | - | 428,768 | 4.5% |
| LRSC | (1,157,713) | 412,756 | (744,957) | -5.2% | 175,271 | (569,686) | -4.0% |
| NDSCS | (4,001,780) | 2,765,148 | (1,236,632) | -3.5% | - | (1,236,632) | -3.5% |
| WSC | 137,487 | 322,614 | 460,100 | 4.1% | - | 460,100 | 4.1% |
| DSU | 998,877 | - | 998,877 | 4.9% | - | 998,877 | 4.9% |
| MASU | 685,147 | - | 685,147 | 3.7% | - | 685,147 | 3.7% |
| MISU | 1,342,514 | - | 1,342,514 | 3.3% | - | 1,342,514 | 3.3% |
| VCSU ** | 480,872 | - | 480,872 | 2.0% | - | 480,872 | 2.0% |
| NDSU | (7,591,732) | - | (7,591,732) | -5.5% | 2,054,479 | (5,537,253) | -4.0% |
| UND | (1,616,332) | - | (1,616,332) | -1.1% | - | (1,616,332) | -1.1% |
| UND SMHS | 1,861,841 | - | 1,861,841 | 3.2% | - | 1,861,841 | 3.2% |
| **TOTALS** | $ (9,275,245) | $ 4,807,380 | $ (4,467,865) | | $ 2,229,749 | $ (2,238,115) | |

| | | Funding Formula Proposed Adjustments | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 |
| **INSTITUTION** | **Engrossed HB1003 Funding Formula includes 96% MAP, CTE & Dental Hygiene Adjustments** | **Percent of 2021-23 Biennium Base Funding after 96% Statutory Limit** | **Increase/ (Decrease) Dental Assistant Credits to CTE from Health Sciences** | **Funding Formula includes 96% MAP, CTE, Dental Hygiene and Assistant adjustments** (Column 1 + Column 3) | **Percent of 2021-23 Base Funding** | **Additional Funds for 98% Minimum Amount Payable** | **Institution Increase/ (Decrease) at 98% MAP w/CTE & Dental adjustments** (Column 1 + Column 3 + Column 6) | **Percent of 2021-23 Biennium Base Funding after 98% Minimum Amount Payable** |
| BSC | $ 463,668 | 1.4% | $ - | $ 463,668 | 1.4% | $ - | $ 463,668 | 1.4% |
| DCB | 428,768 | 4.5% | - | 428,768 | 4.5% | - | 428,768 | 4.5% |
| LRSC | (569,686) | -4.0% | - | (569,686) | -4.0% | 284,843 | (284,843) | -2.0% |
| NDSCS | (1,236,632) | -3.5% | 231,286 | (1,005,347) | -2.8% | 291,051 | (714,296) | -2.0% |
| WSC | 460,100 | 4.1% | - | 460,100 | 4.1% | - | 460,100 | 4.1% |
| DSU | 998,877 | 4.9% | - | 998,877 | 4.9% | - | 998,877 | 4.9% |
| MASU | 685,147 | 3.7% | - | 685,147 | 3.7% | - | 685,147 | 3.7% |
| MISU | 1,342,514 | 3.3% | - | 1,342,514 | 3.3% | - | 1,342,514 | 3.3% |
| VCSU ** | 480,872 | 2.0% | - | 480,872 | 2.0% | - | 480,872 | 2.0% |
| NDSU | (5,537,253) | -4.0% | - | (5,537,253) | -4.0% | 2,768,627 | (2,768,627) | -2.0% |
| UND | (1,616,332) | -1.1% | - | (1,616,332) | -1.1% | - | (1,616,332) | -1.1% |
| UND SMHS | 1,861,841 | 3.2% | - | 1,861,841 | 3.2% | - | 1,861,841 | 3.2% |
| **TOTALS** | $ (2,238,115) | | $ 231,286 | $ (2,006,830) | | $ 3,344,521 | $ 1,337,691 | |

| North Dakota University System | | | |
|---|---|---|---|
| **Engrossed House Bill 1003** | | | |
| **Section** | **Description** | **Comments** | **Change Requested** |
| 1 | Appropriation | | See separate document |
| 2 | One-time funding appropriation | | See separate document |
| 3 | Allows NDUS entities to accept & federal, private, grants and other funds<br><br>Allows federal, private & other funds to be used for authorized capital projects, in addition to the appropriations in sections 1 & 4 | Included each biennium<br><br>New | |
| 4 | Provides $49,970,100 from SIIF to MaSU for renovation of Old Main | | None |
| 5 | Extraordinary repair match 2:1 UND & NDSU; 1:1 all others | | |
| 6 | Details the capital projects appropriated in section 1 from SIIF - $293,290,000 | | |
| 7 | Provides $4.8 million one-time to NDSU to create or expand programs & enrollment initiatives to address the state's workforce needs.<br><br>Cannot be used to offset programs closed or reduced since 7/1/2021.<br><br>Requires interim report to Legislative Management | | |
| 8 | Provides $4.5 million one-time for support single mothers at public & tribal colleges, U Mary, & Jamestown. Up to $250,000 per entity.<br><br>Used toward costs of on-campus room & board and on-campus day care for children of eligible students.<br><br>Eligible students include 1. unmarried pregnant students having an unplanned pregnancy 2. Unmarried mothers who experienced | Violates Title IX. Court rulings have already held that schools are not permitted to enact rules related to parental status differently between men and women (mothers and fathers).<br><br>It likely would be found to violate the Equal Protection clause as well as the Pregnancy Discrimination Act | Consider transfer of program/fund to DHHS if desired. |

| | | | |
|---|---|---|---|
| | an unintended birth while attending the institution 3. Unmarried mother with a child or children less than 4 years old<br><br>Requires interim report to legislative management | because it treats people different based on their sex, ability to reproduce, and their intention to have a child.<br><br>Not all campuses have on-campus housing or daycare. Those students would not be able to receive this benefit. | |
| 9 | Transfers $367,000 from System Office operating line to NDSU | Eliminates any carryover that could be used for computer systems or other needs | SBHE opposes. Remove section. |
| 15 | Precludes SBHE from submitting state-funded capital project requests for 2025-27<br><br>Requires institutions to "have possession" of local matching funds before spending any SIIF funds<br><br>If required match is not fully collected, allows SIIF spending proportional to the amount of matching funds collected<br><br>SIIF appropriations are cancelled if matching funds not collected by 6/30/2027.<br><br>Any inflationary costs must be paid by the institution with local funds or the capital building fund | | None |
| 16 | Requires adequate project management oversight by an institution official or external entity for all legislatively authorized capital projects | | None |
| 17 | Enables transfer of funds between UND & the UND SOMHS as necessary to allocate funding formula dollars | | None |

| | | | |
|---|---|---|---|
| 18 | Requires a higher education trend report to the Budget Section to include: enrollment, institution reserves, tuition rates, & student financial assistance. Report must include the NDUS' response to these trends to include: new or expanded programs, closed programs and future budget requests. | | Request change to reporting to Interim Higher Education Committee. |
| 19 | Requires presidential severance agreements be paid from the System Office budget, without providing an appropriation. Requires Emergency Commission & Budget Section approval for presidential severance agreements. | Conflicts with constitutional authority. Virtually eliminates SBHE ability to off-board a president. Could devastate the System Office budget | SBHE opposes. Remove section. |
| 20 | Requires SBHE approval/denial of new or expanded academic programs within 30 days of submission | Unnecessary. Most approved in same month submitted. Would prevent exploration of collaboration possibilities, program duplication and financial viability.<br><br>Conflicts with constitutional authority / responsibility. | SBHE opposes. Remove section.<br><br>(could provide report to Interim Higher Education Committee) |
| 21 | Requires SBHE to disclose institution's financial condition to presidential finalists, including reserves, audit findings, future funding model implications, and CFI. Allows for nondisclosure agreement from finalists | | |
| 22 | Allows presidents to adopt policies, procedures & directives with input but no authoritative control from faculty or others through shared governance. The Chancellor and SBHE may overturn or amend such decisions. | | None |
| 23 | Updates Career Builders loan repayment program | NDUS requested. Interim Higher | None |

| | | | |
|---|---|---|---|
| | | Education Committee recommended. | |
| 24 | Updates Career Builders scholarship program | NDUS requested. Interim Higher Education Committee recommended. | None |
| 25 | Updates Career Builders administrative costs | NDUS requested. Interim Higher Education Committee recommended. | None |
| 26 | Updates Challenge Grant amounts: $5 million each to UND & NDSU; $4 million each to UND SoMHS and NDSU Main Research Center | | None |
| 27 | Updates Challenge Grant amounts: $3 million each to BSC, MiSU & NDSCS; $2 million each to DSU, MaSU & VCSU; and $1 million each to DCB, LRSC & WSC | | None |
| 28 | Updates Challenge Grant: If non-research institutions do not use allocations by 1/1/2024, unused funds are reallocated within their "tier". | | None |
| 29 | Updates workforce development council from workforce education advisory council for education programs to address workforce needs | | |
| 30 | Requires institutions to provide match dollars from gifts, grants or donations for future capital projects. UND & NDSU match = 30%. All other institutions = 5%. | Interim Higher Education Committee recommendation | |
| 31 | Updates funding formula: All CTE credits at 5.0 rather than 3.0/5.0 | | None |
| 32 | Updates funding formula: base rates updated for HB1003 appropriation. NDSU & UND $72.39; DSU, MaSU, MiSU & VCSU $102.78; BSC, DCB, LRSC, NDSCS & WSC $109.30 | | None |
| 33 | Updates funding formula: restores minimum amounts payable at 96% | | Consider increase to 98% |
| 34 | Allows capital building fund Tier 1 to be used for academic & student housing facilities | | None |

| | | | |
|---|---|---|---|
| 35 | Increases state need's based grant from $1,100 to $1,650 per semester or $733 to $1,110 per quarter. Total $3,330 per academic year. 50% increase. | Interim Higher Education Committee recommendation | None |
| 36 | Designates the required $10 million Theodore Roosevelt donation be directed to digitization of TR documents ($2 million) and the TR Conservation Scholarship endowment ($8 million) | | |
| 37 | Allows for carryover of unexpended appropriations through 2025 | Included each biennium | None |
| 38 | Eliminates UND School of Law Challenge Grant allocation (NDCC 15-10-48.1) | Law will be part of the larger UND allocation | |
| 38 | Eliminates restrictions on eligible Challenge Grant projects/programs (NDCC 15-10-53) | | |
| 38 | Eliminates workforce education advisory council that no longer functions | NDUS request. NDUS works closely with Workforce Development Council. See section 29. | None |
| 39 | Allows appropriation transfers from operations to capital assets with SBHE approval | Included each biennium | None |
| 40 | Allows SBHE to adjust FTE subject to funds availability and report to OMB | Included each biennium | None |
| 41 | Exempts $600,000 LRSC wind turbine project from match requirements in Section 15 | | None |
| 42 | Allows carryover of unexpended general fund dollars for multiple capital projects approved by the 2019 Legislative Assembly | Projects are in various stages of completion | None |
| 43 | Allows for carryover of unexpended federal fiscal recovery fund dollars for projects at UND, DSU, NDSU Research, NDSU, MiSU, UND SoMHS, Dakota Digital Academy | Projects are in various stages of completion | Request to add "Twamley Hall" as authorized project for UND's ARPA funds. |
| 44 | Freezes tuition rates for ND residents for AY2023-24 & AY2024-25. Provided $45.6 million general | | Remove "and fees" from (1) & (2) |

| | | | |
|---|---|---|---|
| | fund to cover lost tuition needed for the compensation package.<br><br>Allows 1% annual tuition increases for graduate programs and high-cost undergraduate programs with differentiated tuitions.<br><br>Tuition frees does not apply to non-resident tuition rates.<br><br>Rates through tuition reciprocity agreements or state education compacts are not impacted. | | |
| 45 | Legislative intent that dental hygienist credits moved to the CTE cluster in the funding formula | Increases weighting factor from 3.0 to 5.0 | None |
| 46 | Emergency clause for increase in state needs-based grant awards (Sect. 35) | | Add Sections: 2, 4, 6, 13, 14, 16, 35, 41, 42, 43. |

| North Dakota University System | | | |
|---|---|---|---|
| **Base Budget - Needs-Based** | **Engrossed HB1003** | **Adjustments to SBHE Appproved Budget Request** | **Total Funding as adjusted** |
| | **General Fund** | **General Fund** | **General Fund** |
| **2021-23 Needs-Based Budget** | $ 686,328,526 | $0 | $686,328,526 |
| Cost to Continue Salaries | 3,033,698 | 0 | 3,033,698 |
| State Bond Payments | (2,187,368) | 0 | (2,187,368) |
| Funding Formula - SCH Production Changes | (9,275,245) | 0 | (9,275,245) |
| Funding Formula -98% Minimum Amount Payable | 2,229,749 | 3,575,806 | 5,805,555 |
| Legislative Funding Formula Change (CTE/Dental | 4,807,380 | 0 | 4,807,380 |
| **2023-25 Needs-Based Budget** | **$ 684,936,740** | **$3,575,806** | **$ 688,512,546** |
| **Investments (Optional Adjustment Requests)** | **Engrossed HB1003** | **Adjustments to SBHE Appproved Budget** | **Total Funding as adjusted** |
| **Systemwide Projects / Initiatives** | | | |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - One-time | $ 3,640,624 | $0 | $ 3,640,624 |
| 7.5% inflationary increase on Funding Formula - | 0 | 40,859,847 | 40,859,847 |
| Systemwide Marketing Program - one-time | 0 | 900,000 | 900,000 |
| **NDUSO - Student Grants** | | | |
| Maintenance($1,784,354 implementation, adds 2 additional programs - One-time; $273,180 annual cost - Base) | 1,827,534 | 230,000 | 2,057,534 |
| **NDUSO - System Security & Research** | | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security | 4,500,000 | 300,000 | 4,800,000 |
| Assistant Vice Chancellor - Research and | 0 | 425,000 | 425,000 |
| **Investments (Optional Adjustment Requests)** | **$ 9,968,158** | **$ 42,714,847** | **$ 52,683,005** |

# 2023 ND SENATE APPROPRIATIONS COMMITTEE

## Bismarck State College Request for Additional ARPA Funding

## Polytechnic Building

## March 20, 2023

### Polytechnic Building
**2021 Cost Estimate compared to 2023 Cost Estimate**

Building 88,590 GSF
Pedestrian Walkway 896 GSF

| Description | 2021 | 2023 | Increase |
|---|---|---|---|
| Sitework/Earthwork | 2,512,622 | 2,785,669 | 273,047 |
| Storage Building/Nacell Tower | 672,752 | 947,715 | 274,963 |
| Existing Conditions - Demolition | 60,500 | 67,500 | 7,000 |
| Concrete | 2,388,336 | 2,829,255 | 440,919 |
| Masonry | 718,938 | 918,147 | 199,209 |
| Metals | 3,100,635 | 4,705,836 | 1,605,201 |
| Wood, Plastics, and Composites | 422,579 | 449,924 | 27,345 |
| Thermal and Moisture Protection - Roof | 2,620,523 | 4,106,131 | 1,485,608 |
| Openings | 1,543,898 | 2,438,587 | 894,689 |
| Finishes - Flooring | 2,641,581 | 3,083,590 | 442,009 |
| Furnishings and Equipment (Elevator) | 1,525,710 | 1,919,855 | 394,145 |
| Fire Suppression and Specialties/Accessories | 432,369 | 555,505 | 123,136 |
| Plumbing | 995,893 | 1,090,712 | 94,819 |
| HVAC | 3,619,064 | 5,267,563 | 1,648,499 |
| Integrated Automation | 358,840 | 448,326 | 89,486 |
| Electrical | 1,544,617 | 2,057,146 | 512,529 |
| Communications | 652,660 | 723,355 | 70,695 |
| Electronic Safety and Security | 335,573 | 402,687 | 67,114 |
| Exterior Improvements | 1,104,343 | 1,257,698 | 153,355 |
| General Conditions | 1,330,942 | 1,363,111 | 32,169 |
| Utilities/Fencing/Testing/Inspection/Etc | 982,462 | 1,063,520 | 81,058 |
| Permit/Bond/Builder Risk/Liability | 353,314 | 526,417 | 173,103 |
| Construction Fee | 331,782 | 499,972 | 168,190 |
| Architect/Structural/Civil/Soil Testing | 2,254,055 | 2,633,201 | 379,146 |
| Contingency | 1,634,926 | 2,398,511 | 763,585 |
| FFE | 1,250,000 | 1,592,000 | 342,000 |
| | 35,388,914 | 46,131,933 | 10,195,009 |

# 2023 ND SENATE APPROPRIATIONS COMMITTEE

## Minot State University Request for Additional ARPA Funding

## Hartnett Hall Renovation

## March 20, 2023

During the November 2021 special session, the North Dakota Legislature awarded $25 million of ARPA funds to Minot State University for the purpose of renovating Hartnett Hall. The 50,000 square-foot building is a nearly 50-year-old academic facility home to numerous general education programs, arts, languages, humanities, communications, KMSU broadcasting, Aleshire Theatre, and used for other academic class offerings as well. Hartnett is a heavily-used academic facility, but had been overdue for refreshment and modernization and had a large backlog of deferred maintenance issues.

The $25 million figure was requested based on an April 2020 pre-design by JLG Architects. JLG estimated the renovation to cost $25.2 million. After the ARPA funds were awarded by the Legislature, Ackerman-Estvold Architects were awarded the final design work. McGough Construction was later selected as the Construction Manager at Risk. As can be seen in the table below, McGough initially estimated the costs based upon the Ackerman-Estvold schematic designs to be significantly higher than JLG's preliminary estimates. McGough explained that costs were significantly higher due to inflation, limited availability of certain trade contractors, and issues that were uncovered during the design process. Using an extensive process of value engineering and expense prioritization, the project scope has been trimmed to meet the $25 million award.

| | 4/2020 | 11/2021 | 5/2022 | 1/23 |
|---|---|---|---|---|
| | JLG Architects Preliminary Design | Awarded ARPA Funds | Ackerman-Estvold Architects Schematic Design | McGough Constr. Final Guaranteed Maximum Price |
| Construction Costs | 19,408,400 | | 26,711,517 | 21,835,798 |
| Soft Costs | 5,822,520 | | 4,563,333 | 3,063,333 |
| Total Estimate | $25,230,920 | $25,000,000 | $31,274,850 | $24,899,131 |

To reduce the projected expenses, several sacrifices have been made to the project. The reduced budget for the Aleshire Theatre/Lecture Hall portion of Harnett lost the new stage rigging, theatre lights, sound system, and theatre equipment that were initially planned. These reductions significantly reduce the functionality of the theatre space from original expectations. Additionally, the initial $1 million Furniture, Fixtures and Equipment (FF&E) budget was stripped from the project with the potential of MSU reusing the old furnishings (currently in storage) if necessary. Building functionality was prioritized resulting in some wall and flooring finishes as well as some interior and exterior aesthetic plans being reduced in quality and scope. Signage was reduced and installation of some lesser-grade cabinetry and casework is

2023 ND SENATE APPROPRIATIONS COMMITTEE

University of North Dakota Request for Additional ARPA Funding

Merrifield/Twamley Hall Renovation

March 20, 2023

**April 2020 Cost Estimate Compared to April 2023 Cost Estimate (36 months of inflation)**

| *Merrifield:* | *1929* | *Year-Built* | |
|---|---|---|---|
| | *94,138* | *Gross Square Feet (GSF)* | |
| **Building Divisions** | **April 2020** | **Apr-23 2023** | **Increase** |
| Preconstruction | 100,000 | 100,000 | - |
| General Requirements | 1,794,764 | 2,168,885 | 374,121 |
| Selective Demolition | 943,842 | 1,871,969 | 928,127 |
| Sub-Structure | 16,984 | 619,414 | 602,430 |
| Super-Structure | 765,037 | 1,557,330 | 792,293 |
| Building Envelope | 2,605,057 | 4,388,448 | 1,783,391 |
| Winter Conditions | 179,362 | 250,763 | 71,401 |
| Interior Finishes | 5,746,689 | 8,419,765 | 2,673,076 |
| Conveying Systems | 190,000 | 282,952 | 92,952 |
| Mechanical | 5,315,716 | 7,660,155 | 2,344,439 |
| Electrical/Communications/Fire Alarm | 3,232,530 | 6,319,700 | 3,087,170 |
| Earthwork/Utilities/Landscaping | 2,019,133 | 1,860,022 | (159,111) |
| Skyway | 1,154,328 | 1,558,343 | 404,015 |
| Permits/Insurance/CM Contingency | 7,614,047 | 9,445,828 | 1,831,781 |
| Professional Services (design, testing, etc.) | 4,655,000 | 4,655,000 | - |
| Fixtures/Furnishing/Equipment (FFE) | 2,511,223 | 2,511,223 | - |
| Design & Owner Contingency | 2,516,718 | 2,516,718 | - |
| | 41,360,430 | 56,186,515 | 14,826,085 |

# 2023-25 System Office to Engrossed HB1003 One-Time Funds, Federal Funds, & FTEs

#26381

| | SBHE Optional Requests | Engrossed HB1003 | Change from 2023-25 NDUS Budget Request to Engrossed HB1003 |
|---|---|---|---|
| One Time Funding - General | | | - |
| Education Challenge Grants | $ - | $ 36,000,000 | $ 36,000,000 |
| Systemwide Marketing Program | 900,000 | - | (900,000) |
| Workforce Innovation Grant Program | 24,000,000 | 10,000,000 | (14,000,000) |
| Education Scholarship for Energy Workforce | 10,000,000 | - | (10,000,000) |
| Passthrough Grants | | 20,100,000 | 20,100,000 |
| Dakota Digitial Acadamy | 450,000 | 450,000 | - |
| Financial Aid System | 1,784,354 | 1,554,354 | (230,000) |
| Support for Single Parents | | 4,500,000 | 4,500,000 |
| Total One Time Funding | $ 37,134,354 | $ 72,604,354 | $ 35,470,000 |
| Total NDUS Office General Funds | 43,809,534 | 210,077,663 | 51,345,253 |

| Federal Fund | 2023-25 Avaialble Funds | Grant Award Deadline | Expenditure Plan |
|---|---|---|---|
| DHHS Passthrough COVID Immunization Grant Award | $ 326,815 | 6/30/2024 | Immunization awareness marketing campaign at nine NDUS instutions |

| | 2021-23 Legislatively Authorized FTE | Increase (Decrease) | 2023-25 Executive Recommendation & SBHE Requested |
|---|---|---|---|
| CTS | 134.83 | 4.00 | 138.83 |
| NDUSO | 24.00 | 0.00 | 24.00 |
| Total | 158.83 | 4.00 | 162.83 |

| | General Fund |
|---|---|
| Fort Abraham Lincoln Foundation Heritage River Landing | $500,000 |
| Bismarck State College polytechnic building | 10,000,000 |
| Minot children's science center | 1,000,000 |
| Dickinson State University Pulver Hall | 2,600,000 |
| Dickinson State University digitization of documents | 1,000,000 |
| North Dakota Gateway to Science | 5,000,000 |
| Total passthrough grants | $20,100,000 |

UNIVERSITY SYST

# 2023-25 Investment Opportunities - Capital Funding Request



## 2023-25 Capital Project Recommendations from House

| Institution | Institution Priority | SBHE Priority | Project Title | Project Total | Funding Source | | Project Type |
|---|---|---|---|---|---|---|---|
| | | | | | Strategic Investment and Improvements Fund | Other Funds | |
| DCB | 1 | 1 | Old Main/Center for Rural Health Education | $ 5,300,000 | $ 4,300,000 | $ 1,000,000 | Major renovation to existing facility. |
| LRSC | 1 | 1 | Wind Turbine Gearbox Replacement | 600,000 | | 600,000 | Equipment repair - Tier Funding (HB 1003 Section 41) |
| MaSU | 1 | 1 | Old Main Renovation | 49,970,100 | 49,970,100 | | Major renovation to existing facility. |
| MiSU | 1 | 1 | Dakota Residence Hall Demolition | 765,000 | 765,000 | | Removal of facility |
| DSU | 1 | 2 | Agriculture & Technical Education Building | 18,000,000 | 17,100,000 | 900,000 | Major renovation to existing facility. |
| NDSU | 1 | 3 | Engineering Building | 84,000,000 | 59,000,000 | 25,000,000 | New construction with major renovation to existing facility |
| VCSU | 1 | 4 | McCarthy Hall Renovation | 13,500,000 | 11,500,000 | 2,000,000 | Major renovation to existing facility. |
| UND | 1 | 5 | Science, Engineering, & National Security Corridor Planning & Demolition | 82,000,000 | 57,400,000 | 24,600,000 | Renovation, removal, and planning |
| BSC | 1 | 6 | Multipurpose Academic/Athletic Performance Center | 31,500,000 | 29,900,000 | 1,600,000 | New construction with demolition of existing facility. |
| NDSCS | 1 | 7 | Agriculture, Automation & Autonomous Systems | 19,975,000 | 18,975,000 | 1,000,000 | Major renovation to existing facilities and new construction. |
| WSC | 1 | 8 | Medical Healthcare Building | 36,600,000 | 34,750,000 | 1,850,000 | New Construction |
| UND | | | STEM Building | 75,000,000 | 52,000,000 | 23,000,000 | |
| MiSU | | | MiSU Academic | 8,000,000 | 7,600,000 | 400,000 | Nursing, computer science, math, science renovations |
| | | | **State General Fund Projects** | **$ 425,210,100** | **$ 343,260,100** | **$ 81,950,000** | |

UNIVERSITY OF NORTH DAKOTA

UND.edu

# UND National Security Initiative

**Description:**
Enhancements of the Center for Space Education and Research that expand on existing as well as planned investments from the University and the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences would greatly benefit North Dakota, the region, and the U.S. UND continues its investment in its National Security Initiative (NSI) to expand the university's capacity to pursue, secure, and execute projects with federal agencies including the Department of Defense (DoD) and Department of Homeland Security (DHS). The NSI has generated numerous opportunities in research, training, and education for a broad range of colleges, schools, programs, faculty, and undergraduate and graduate students. The NSI is expected to continue to expand opportunities in these areas for the foreseeable future. The first phase of the NSI focused on space-related activities, building on established expertise in UAS/Autonomy and mobility in the air domain into a cohesive Surface-Air-Space (SAS) domain, integrating ground vehicles, airborne assets, and satellite architectures like the constellation in development by the Space Development Agency (SDA) as well as partner companies.

The second phase of the NSI will continue to align with UND's 6-year planned investment of $7.5M in strategic funding to advance National Security Research activities. This phase will expand the focus of the NSI to address topics that cut across the SAS domain in areas such as Virtual Reality (VR), Cyber Security, High-Speed Optical Communication, and physical spaces to perform meaningful experiments and system testing in a variety of environmental conditions. These resources would position UND, and the state of North Dakota, to effectively support National Security agencies and industries that are actively operating in the state (such as SDA, Grand Forks Air Force Base (GFAFB), North Spark Defense Lab, and the United States Space Force), and to entice additional partners to establish a presence here. The envisioned capabilities support research activities starting with the Vice President of Research & Economic Development, the Research Institute for Autonomous Systems, the John D. Odegard School of Aerospace Sciences (Space Studies, Atmospheric Sciences, and Aviation departments), the College of Engineering and Mines (Electrical Engineering & Computer Science and Mechanical Engineering departments), and the College of Arts & Sciences (Chemistry, Mathematics, Physics & Astrophysics, and Psychology/Human Factors departments).

**Expected Outcome:**
Expansion of the NSI is designed to increase federal funding from the DoD and DHS. A conservative funding target is an annual increase of $3M in research expenditures from these two agencies, building on a baseline established in FY22 (~$2.5M)—over a 100% increase. The Center will help attract star research faculty and staff in national-security-related fields to include graduate students and post-doctoral researchers. These efforts will drive development of new capabilities that ensure U.S. National Security preeminence, while supporting key partners in the region (industry, the GFAFB, etc.) through technology development and technology transfer/economic development. Enhancement of our innovation ecosystem would further fortify its importance to the nation, especially for SAS (autonomous) systems/capabilities, including key resources (e.g., the GFAFB). While primarily a research initiative, the NSI will substantively refresh academic programs. Enhancement of this center will deliver more educational opportunities online and on-campus with state-of-the-art technology and research labs. It will foster high-tech workforce development in key emerging areas at both undergraduate and graduate levels, increase opportunities for student engagement in hands-on and applied research and training opportunities, and assist with growth and diversification of the ND state economy, especially in the high demand, rapidly growing high-tech sector.

**Connection to Existing Program:**
This project will continue to support existing and growing programs and research in national-security-related fields in the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences and leverage ongoing strategic investments from the University. The National Security Initiative supports Goal 4 of the UND Strategic Plan (to Enhance Research) and puts an action to the UND Grand Challenges of Autonomous Systems and Big Data. These two Grand Challenges encompass areas of research and education identified by UND as priorities critical to the state and areas in which we are nationally competitive.

| Infrastructure Project | Description | Estimated Cost |
|---|---|---|
| Satellite and Space Debris Tracking | A series of antennas would be installed and used to collect data to track satellites and space debris. This facility would allow for both student projects and faculty research, including the analysis of satellite and space object data, development of advanced tracking software, and development and testing of new antennas and sensors. | 2,000,000 |
| High-Speed Laser for Optical Comms. | Ultrafast, powerful, high-speed lasers will be acquired and installed in Witmer Hall and the Tech Accelerator. This will position UND to respond to Department of Defense, including United States Space Force (USSF), opportunities--many of which are focused on optical communications. It will also expand partnership opportunities with commercial entities. Another benefit is it will enable research with materials that are otherwise unavailable, leveraging recent investments in the nanofoundry. | 5,000,000 |
| Molecular Beam Epitaxy | Molecular Beam Epitaxy is the state-of-the-art methodology for constructing single crystals with precisely controlled composition. Its principal use is for the development of semiconductor devices on the nanoscale. Because the device operates under ultrahigh vacuum conditions, high purity, defect-free devices can be built that are inaccessible by other means. This allows access to unique materials and devices, including organic semiconductors and various quantum materials (including quantum wells and superlattices); MBEs are used in the search for high temperature superconductors and artificially layered magnetic materials. DARPA has identified 3D heterogeneously integrated (3DHI) technologies as the key objective to enable disruptive microsystems of tomorrow. It further states that without this technology, the US will fall behind in artificial intelligence, autonomous systems and robotics, and networked sensing. | 2,000,000 |
| Digital Engineering and Virtual Reality - DREAM Laboratory | This investment will create the Digital Realism in Engineering and the Applied Metaverse (DREAM) and establish UND as the institutional lead. The partnership consists of four major academic and industry collaborators: UND, NVIDIA Corp., Lenovo USA, and the Ohio Supercomputing Center (OSC). DREAM will expand existing UND-based Artificial Intelligence (AI) and Virtual Reality (VR) projects. This growing UND research capacity addresses clear needs of national defense labs to reproduce reality as high-fidelity virtual spaces (aka Digital Twins). Such Metaverse environments allow for the integration of human physical training into virtual combat spaces while simultaneously providing the capability to generate synthetic data for use in training digital bots for real-world military missions via AI and Machine Learning (ML) algorithms. | 6,500,000 |
| Cybersecurity Research Infrastructure | This investment will create a stand-alone network with infrastructure to enable researchers to test cybersecurity tools and techniques on a production-like environment. This system will also allow advanced system integration for cybersecurity research on development platforms to create networks and tools for future cyber security techniques. This tool will support established research activities and lead to more research opportunities from federal agencies and private sector corporate partners. | 2,000,000 |
| Cyber Range | This investment will create a cloud-based cross-disciplinary training tool that training students to manage cyber security attacks in a variety of scenarios. It is a very immersive experience provide performance-based learning and assessment, an environment for teams to work together to improve teamwork, and simulate on-the-job experiences related to Security Operations (SecOps) and Development Operations (DevOps). | 1,000,000 |
| 3D Rocket Laboratory | This would create a laboratory for designing, fabricating, and testing novel 3D rocket engine designs, injectors, and turbopumps. This includes novel materials for improved heat transfer and performance at high temperatures and would enable testing of materials that could be utilized in Lunar and Martian missions. | 1,500,000 |
| Autonomous System Environment Development and Test Facility | UND has a long history of research excellence in autonomous systems, particularly with Unmanned Aircraft Systems. Collaborators across the campus have coalesced around this topic with significant success in generating external partnerships and ongoing funding. As autonomous systems take up increasing tasks, it is critical to increase reliability and the ability to operate in a variety of conditions, including wind, rain, fog, dust, and so forth. The design of robust autonomous systems that are resilient to these conditions is a critical need, as is the need to test existing and proposed autonomous systems in these environments. This effort aims to establish a common area in which researchers from across campus can work to design, develop, fabricate, and test robust and reliable autonomous systems in the harsh environments that they will experience in practice. We propose to renovate an existing facility to house fabrication and testing labs for small to medium sized autonomous systems, office space for data processing, autonomous algorithm development, cybersecurity research, and public policy research. This facility will also house a full environmental testing facility that can subject autonomous systems to environmental conditions in a controlled way. | 18,500,000 |
| Controlled Environment Field-Testing Facility | This would create an indoor, GPS-enabled, testing facility for systems (e.g., drones, autonomous ground vehicles, etc.). Such a facility enables testing in a controlled environment that mitigates all safety concerns regarding non-participants and significantly improves testing capabilities during inclement weather. It also supports testing with GPS (as opposed to most facilities that block GPS), which is critical for many systems. Such a facility would enable testing of both ground and airborne systems. | 6,500,000 |

*The University of North Dakota is an equal opportunity / affirmative action institution.*

WILLISTON
STATE COLLEGE

Office of the President

**To**: David Krebsbach, Vice Chancellor for Admin Affairs (NDUS)

**From**: Dr. Bernell Hirning, President-Williston State College

**Date**: March 23, 2023

**Subject**: Legislative Request: WSC One-Page Budget Overview

1) **Appropriated General Fund Request**: (Approved by House)
   a) Total: $13.159 million
      i) Increased line items: ($1.5 million increase)
         (1) $866K increase in base (4%/4% pay raise)
         (2) $319K increase in healthcare premiums
         (3) $322K increase in CTE funding with factor adjustment to 5.0
         (4) $169K to Mental Health Initiative (One Full-time position)

2) **Capitol Projects**: (Approved by House)
   a) Healthcare Training Facility
      i) New Construction on WSC Campus; shovel-ready
      ii) 40,000 square foot footprint to add several healthcare programs
      iii) Total cost: $36.6 million
         (1) House appropriated: $34.8 million
         (2) Local Funds: $1.85 million
         (3) *NOTE: Local funds are already available
   b) Turf Project:
      i) Convert baseball and softball fields into prescription turf plus develop the complex with fencing, lights, etc., for use by WSC, Williston community and regional teams
      ii) Total Cost: $7.3 million
      iii) *NOTE: All funds will be raised locally. No state-appropriated funds.

3) **Inflationary and Other**:
   a) SBHE budget requested 7.5% inflationary increase for operating costs (Support)
      i) Tuition freeze would require WSC to dip into reserves or make other cuts to cover inflationary increase in costs
   b) 'Re-Energize North Dakota Scholarship': (SB2197)
      i) Request was $10.25 million
      ii) Senate approved $5.125 million
      iii) House currently reviewing

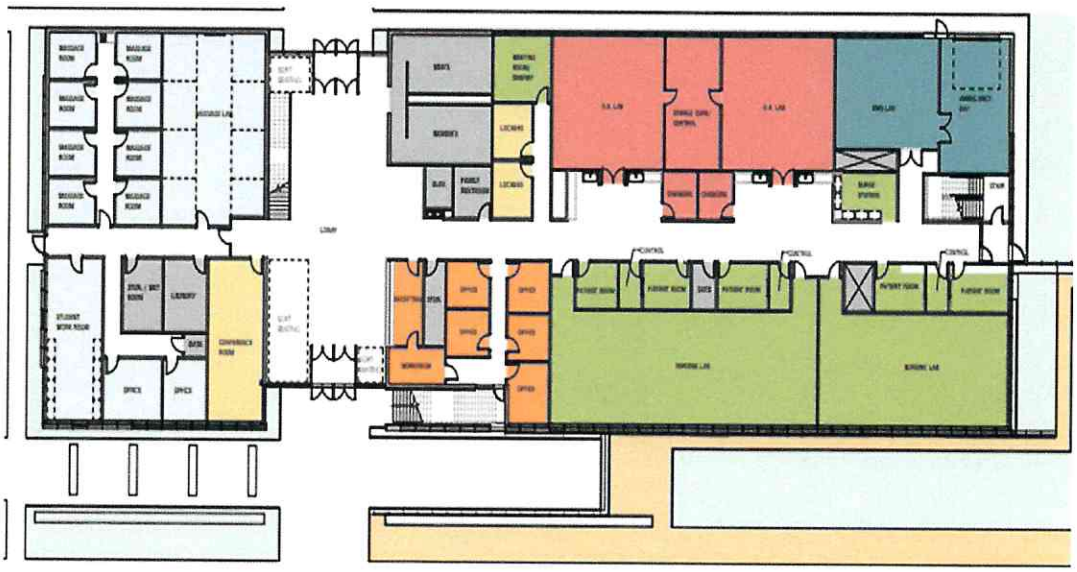
# WILLISTON STATE COLLEGE

## MEDICAL ARTS BUILDING
## FLOOR PLANS

JANUARY, 2023

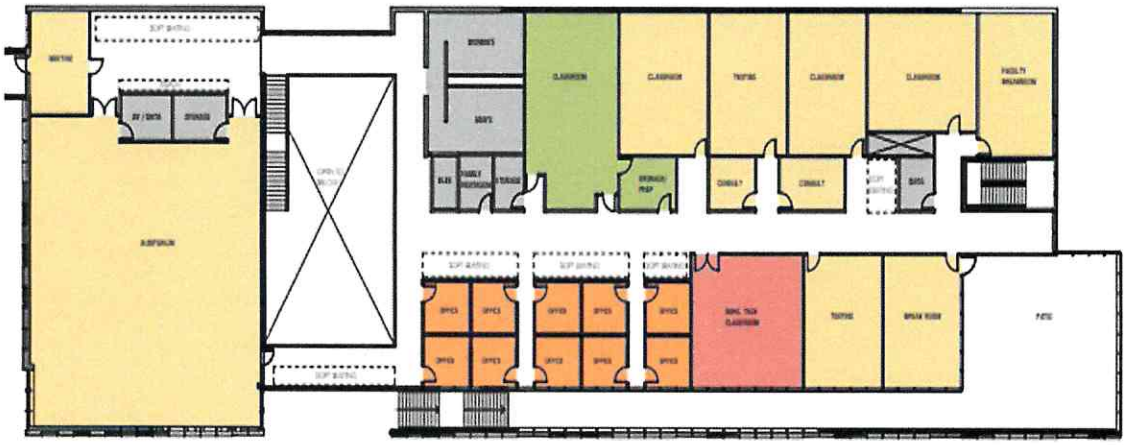
WILLISTON

1



WILLISTON

2



WILLISTON

3

WSC - MEDICAL ARTS
ENTRY

WILLISTON

4

WSC - MEDICAL ARTS

SOUTH ELEVATION

WILLISTON

5

# WSC MEDICAL ARTS

## LOWER LEVEL PLAN

DECEMBER 12, 2022 | JLG 2203e | © 2022 JLG ARCHITECTS

0 10 20 40

JLG
DESIGN FOR LIFE

# WSC MEDICAL ARTS

## FIRST LEVEL PLAN

DECEMBER 12, 2022 | JLG 22036 | © 2022 JLG ARCHITECTS

0 10 20 40

JLG
DESIGN FOR LIFE

# WSC MEDICAL ARTS

## SECOND LEVEL PLAN

DECEMBER 12, 2022 | JLG 22036 | © 2022 JLG ARCHITECTS

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JLG
DESIGN FOR LIFE

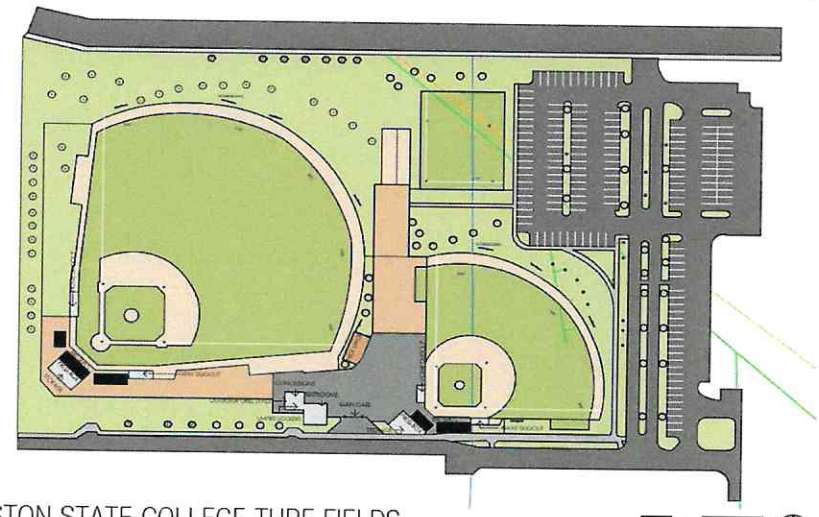
# WILLISTON STATE COLLEGE

## TURF FIELDS
## (BASEBALL & SOFTBALL)
## SITE PLAN

JANUARY, 2023

WILLISTON

1



WILLISTON STATE COLLEGE TURF FIELDS
SITE PLAN

0 40 80 160

WILLISTON

2

WILLISTON

3

NDSCS
PRESIDENT'S OFFICE

Rod Flanigan, Ph.D., President
Phone: 701.671.2221 | Fax: 701.671.2316 | Rod.Flanigan@ndscs.edu
North Dakota State College of Science • 800 Sixth Street North • Wahpeton, ND 58076-0001 • 1.800.342.4325 • www.NDSCS.edu

March 7, 2023

Senator Ronald Sorvaag
Chairman - Senate Appropriation Education and Environment Division

Re: North Dakota State College of Science (NDSCS) – funding requests

Senator Sorvaag,

Pursuant to your request, following are the financial requests made during my testimony yesterday to the Senate Education and Environment Division:

- To help us with some of our imminent deferred maintenance needs, **we request $2,000,000 ($1M/year) specifically targeted for deferred maintenance** (in addition to Tiered funding).
    - As explained, we have nearly $6M in deferred maintenance issues over the next couple of years (that we know about). $2M will not solve all of our deferred maintenance issues, but it will allow us to move forward with many of the projects.
- Our capital project request is for **$19,975,000 for the expansion of our Precision Ag and John Deere Tech. programs.**
    - Both Ag and the John Deere Tech. programs are two of our highest enrolled programs and offer continued opportunity for growth.
- Request that **all CTE credits be moved to a 5x multiplier. Add both Dental Hygiene and Dental Assisting to the CTE category.** This was included in the House recommendations.
- Request that the **'Minimum Amount Payable' move to 98%.** The House approved the 'Minimum Amount Payable' at 96%. The NDUS office has proposed that we move this to 98%. This would be very helpful to NDSCS.
- Request that the **'Innovation Grant' dollars be moved to the original amount requested by Rep. Cindy Schreiber-Beck ($24,000,000).** Also request that language be added that will articulate very clearly how the money will be distributed.

Thank you, in advance, for your consideration of these requests.

Regards,

Rod Flanigan, Ph.D.
President
North Dakota State College of Science

JOHN DEERE

John Deere Ag Marketing Center
10789 Ridgeview RD, Olathe KS 66012
Phone: 913-310-8100
JohnDeere.com

3/23/2023

John Thomassen
Director of Aftermarket & Customer Support Region 4
10789 Ridgeview Road
Olathe, KS 66061
USA

Dear Dr. Flanigan,

John Deere is pleased to sign this Letter of Support intended to document our partnership with and commitment to North Dakota State College of Science (NDSCS) regarding the college's Precision Ag Capital Project opportunity.

We are pleased to hear that North Dakota State College of Science is working toward increasing the scope and size of the Agriculture department by adding capacity to their Precision Agriculture program.

The proposal provided to Deere by NDSCS demonstrates a forward-thinking approach to help North Dakota continue to build a pipeline of strong Ag students ready to join the workforce. We believe this Capital Project will help provide the following benefits to the community and to the region:

1. Continue to build the infrastructure necessary to grow the capacity of the entire Agriculture program at NDSCS.
2. Continue to develop relationships with industry partners to offer internships and other work-based opportunities statewide.
3. Developing the capacity to offer state-of-the-art agriculture training to workforce partners.
4. Enhancing wrap-around services supporting adult learners and rural students to increase retention and recognition of agricultural programs in the state.

These capacity and equity outcomes will help fill an industry gap in training and employment opportunities throughout North Dakota. The proposed project aligns with our mission to help individuals enter and advance in the Ag workforce. The wraparound services included in this project, as well as the focus on addressing obstacles non-traditional learners face, will be beneficial to the individuals we serve and to the State of North Dakota as whole.

Public

JOHN DEERE

As an industry supporter of this project, John Deere recognizes the value that this project will have in our area. To ensure the success of the grant project, John Deere is committed to providing the following activities, resources, and/or support to ensure the project's success:

- Serve on an advisory committee
- Work directly with John Deere dealers to help ensure students have employment after graduation
- Maintain new John Deere Equipment for student training purposes
- Provide training aids such as engine, transmissions, special tools and parts
- Provide John Deere-designed training updates required for instructors to stay up to date with cutting-edge technologies
- Provide input as needed for curriculum development and training materials

John Deere is excited to be a partner for this Precision Ag Capital Project. The proposed Project is critical for meeting the current and future needs of students and employers in the area. Please let me know if I can provide any additional information to support the Precision Ag Capital Project.

Sincerely,

Public

NDSCS NORTH DAKOTA STATE COLLEGE OF SCIENCE

# LEGISLATIVE BUDGET PRIORITIES

| Priorities | House Amended | Senate Request |
|---|---|---|
| **CTE Credits**<br>Request that all CTE credits be moved to a 5x multiplier. House Amended bill added Dental Hygiene to the list of CTE credits. | $2,765,148 | Request that Dental Assisting is added to this list of CTE credits. $231,286 |
| **Precision Ag Capital Project Request**<br>Our capital project request is for $19,975,000 for the expansion of our Precision Ag and John Deere Tech programs. Both programs are two of our highest enrolled programs and offer continued opportunity for growth. | $19,975,000 | $18,975,000<br>(NDSCS to raise $1,000,000) |
| **Deferred Maintenance**<br>To help us with our deferred maintenance needs, we request $2,000,000 ($1,000,000/year) specifically targeted for deferred maintenance (in addition to Tiered funding).<br>We have nearly $6,000,000 in deferred maintenance issues over the next couple of years (that we know about). $2,000,000 will not solve all of our deferred maintenance issues, but it will allow us to move forward with many of the projects. | Tiered funding (1:1 match) is helpful; however, it does not help us if we cannot make the match. | $2,000,000 |
| **Innovation Grant (HB1241)**<br>Request that the 'Innovation Grant' dollars be moved to the original amount requested by Rep. Cindy Schreiber-Beck ($24,000,000). Also request that **language be added that will articulate very clearly how the money will be distributed.** | $10,000,000 System wide | Restore bill to $24,000,000 |

| Additional Initiatives Supported | Explanation |
|---|---|
| **Minimum Amount Payable**<br>Request that the 'Minimum Amount Payable' move to 98%. The House approved the 'Minimum Amount Payable' at 96%. The NDUS office has proposed that we move this to 98%. This would be very helpful to NDSCS. | At 96%, it does not help NDSCS, assuming that the CTE credits are moved to a 5x multiplier.<br>Support SBHE proposal to go to 98% – this would mean an additional $291,051 for NDSCS (assuming Dental Assisting is added to CTE credits). |
| **7.5% Inflationary Increase Adjustment** | We support an operating increase adjustment of 7.5% from General Funds. |
| **Salary Increase 6%/4%** | We support the initiative to provide a fully funded 6% and 4% salary increase for all employees, including the tuition share. |

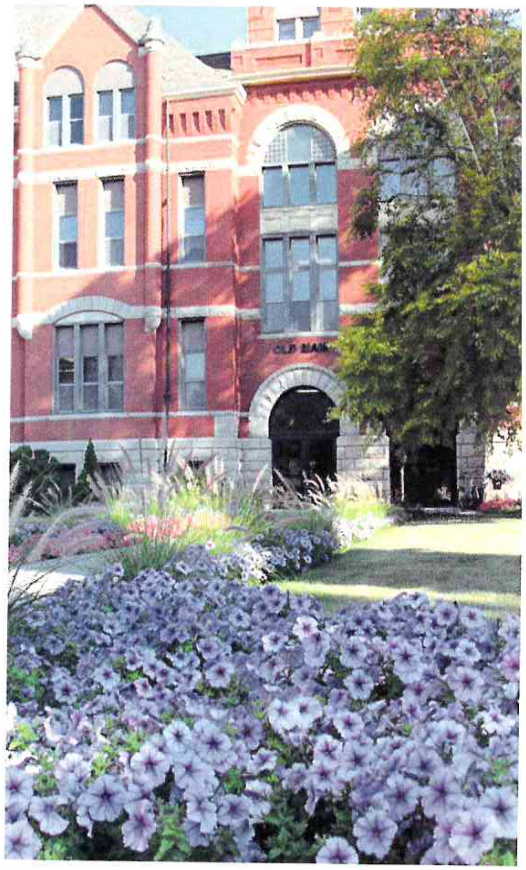
# Mayville State University's Prioritized Senate Requests for Biennium 23-25

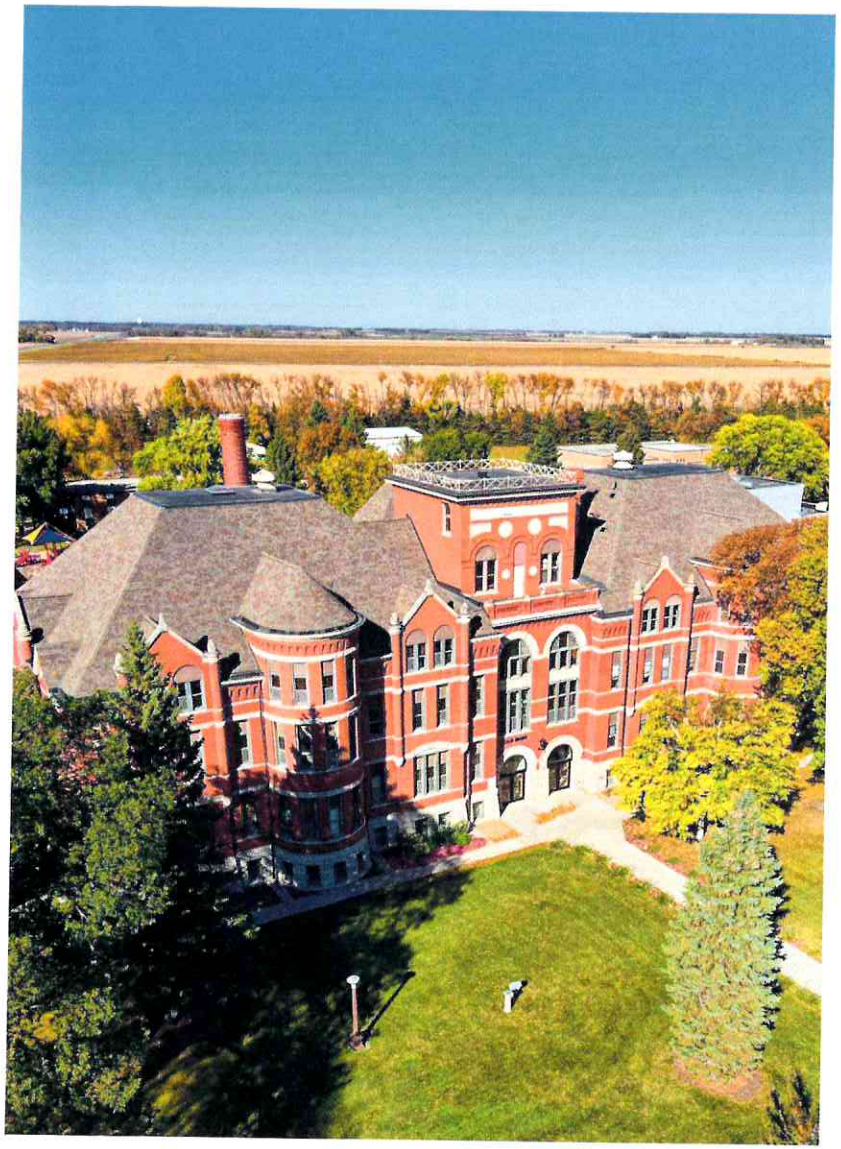
**Capital Needs *included in HB1003* House version**

| | |
|---|---|
| #1 - Old Main Renovation (shovel ready): | $49,970,100 |

**Prioritized Operational Requests *still needed from the Senate* in HB1003**

| | |
|---|---|
| #2 - Mayville Compensation Gap Funding:<br>(Move MaSU from bottom of NDUS pay scale toward median.) | $ 1,742,000 |
| #3 – 7.5% *SBHE and NDUS supported* inflation adjustment: | $ 1,588,735 |
| #4 – *Governor's Equity Package (OMB may be including)*: | $ 910,213 |
| #5 – 6%/4% offset of compensation/insurance costs for Other funds: | $ 1,071,230 |
| Total Additional funding needed for Operations | **$ 5,312,178** |





Mayville State University

# Old Main Project Budget Detail

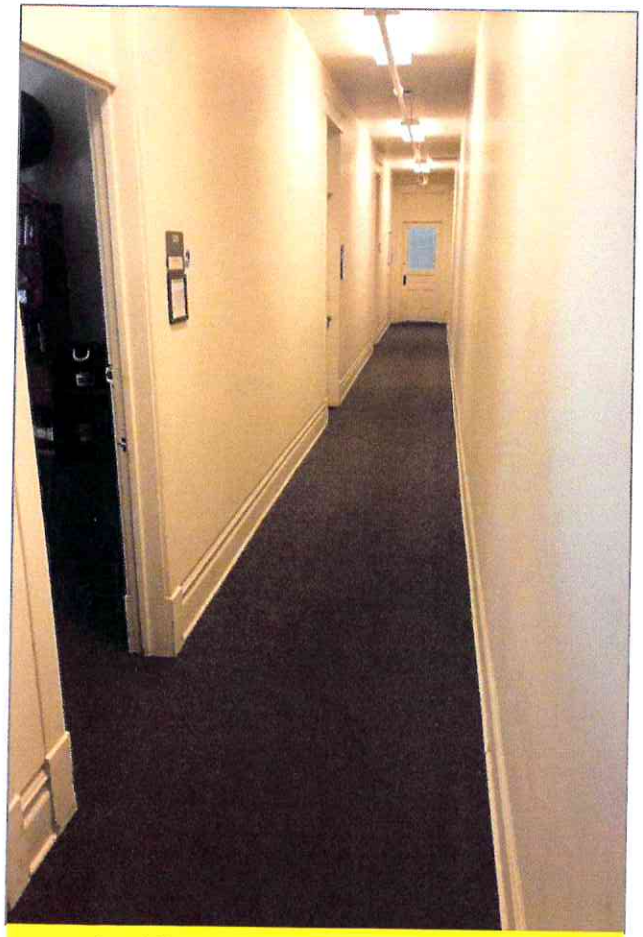
## Timeline:

Project design/construction will take approximately 36 months, with construction completion estimated for June 2026.

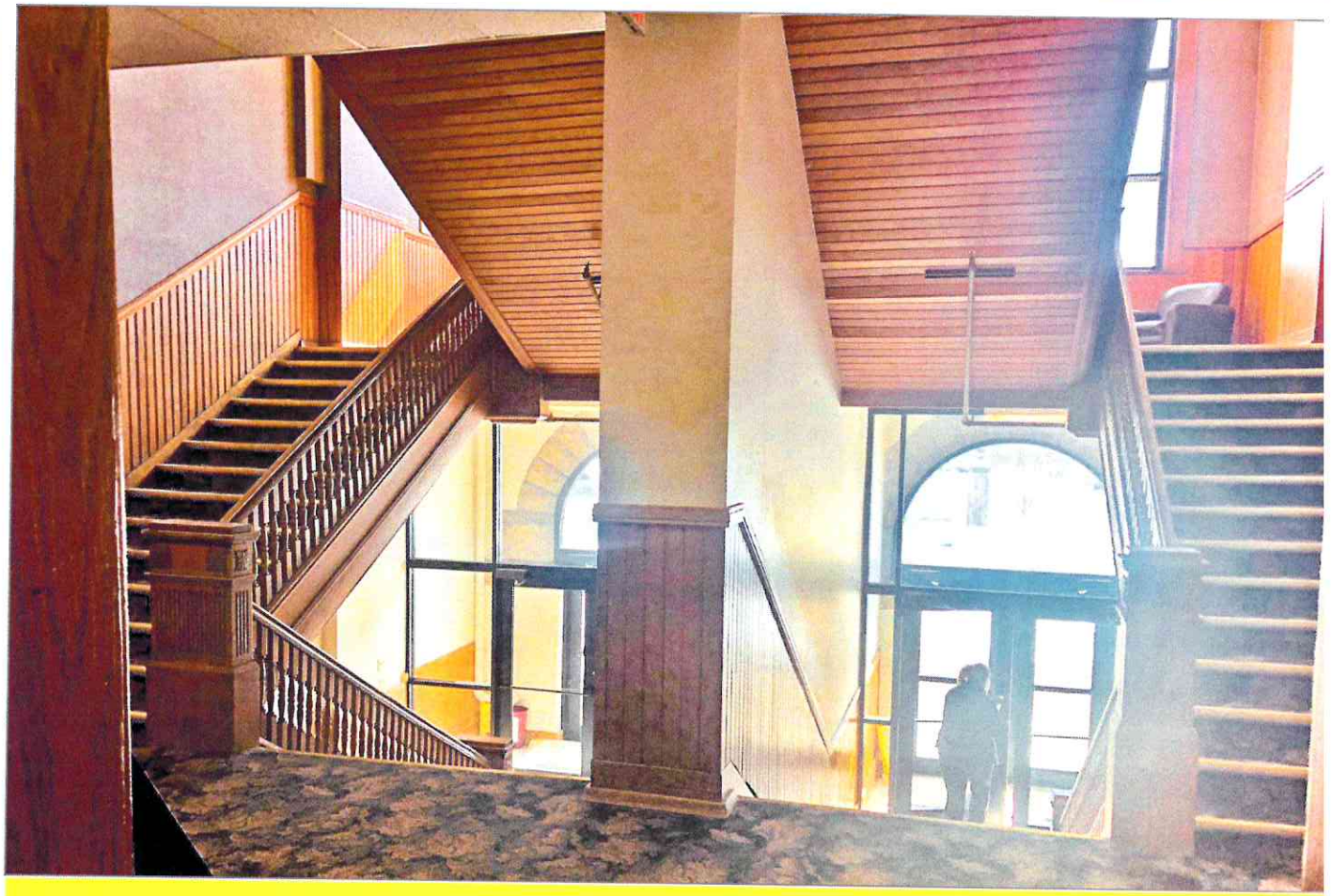
## Budget:

| | |
|---|---|
| Planning, Design, Testing | $ 3,779,100 |
| Construction, Building Renovation | 37,315,000 |
| Hazardous Material Abatement | 1,000,000 |
| Furniture, Fixtures, Equipment | 5,876,000 |
| Other (Temporary Facilities/Relocation Costs) | 2,000,000 |
| **Total Budget** | **$ 49,970,100** |

# Life Safety – Fire Hazard



Third floor hallway to faculty offices.
Dead-end exit on south hallway.



Side-by-side open stairwell poses fire safety threat.

# Life Safety Concerns - Accessibility

Only access to facilities services offices.

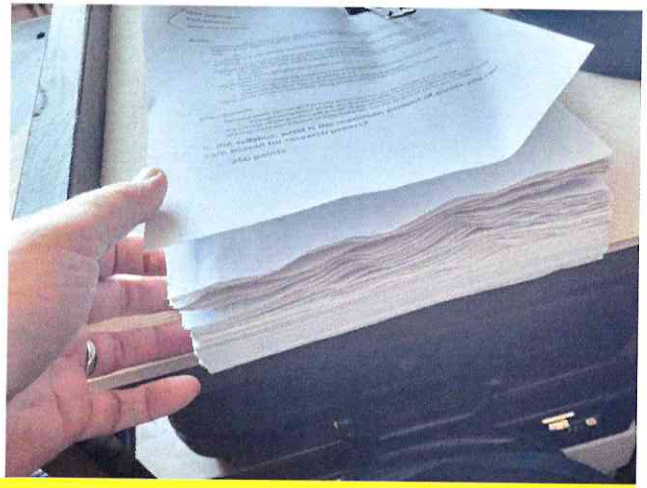
Only accessible restrooms for entire building – located in lower level.

Only access to 3rd floor Liberal Arts faculty offices.

Uneven flooring.

Our facilities crew trapped 12 live bats in classroom space over a 2-week period during the fall semester.

# Damages Within Last Two Weeks



Water damage over spring break in 2nd floor faculty office – destroying student assignments and faculty materials.

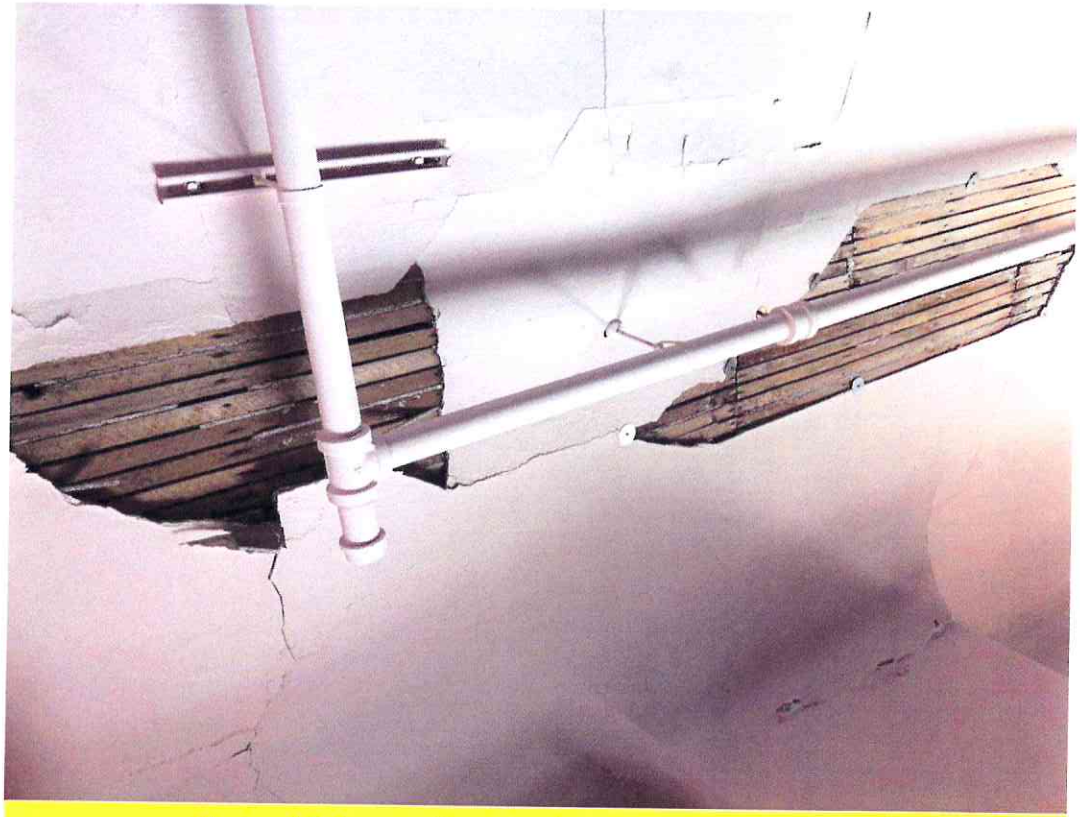
Water damage in 1st floor classroom.

# Damages this past January

**Damage January 5, 2023 in a classroom that houses the Dakota Nursing Program on the third floor of Old Main.**
**Damage to several laptop computers, photocopier.**

# Damages Within Last Year

Water damage in two 2nd floor classrooms.



Plaster fell from ceiling of 2nd floor theatre/classroom.

# Deferred Maintenance

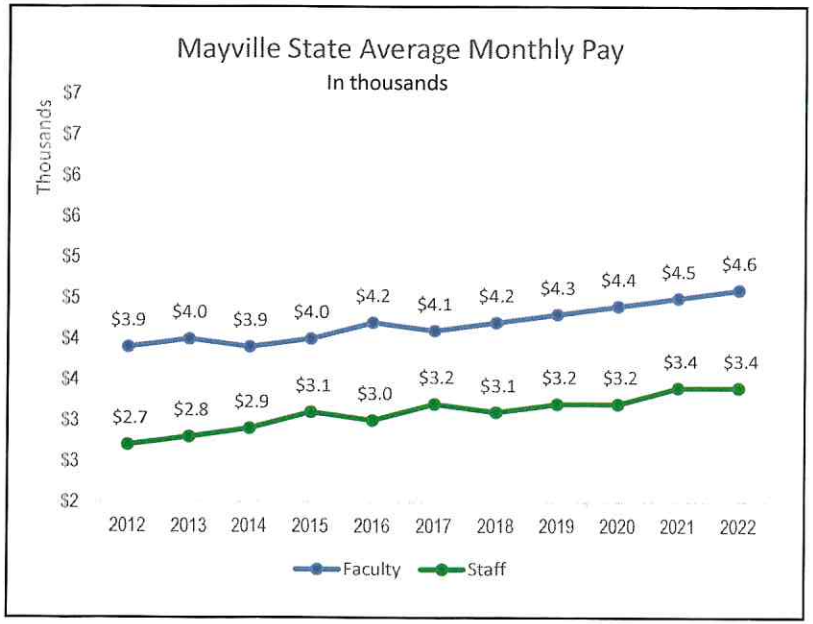
Foundation deterioration and cracking.

# Compensation Equity

## Mayville State University

### Human Resource Measures 2011-2022

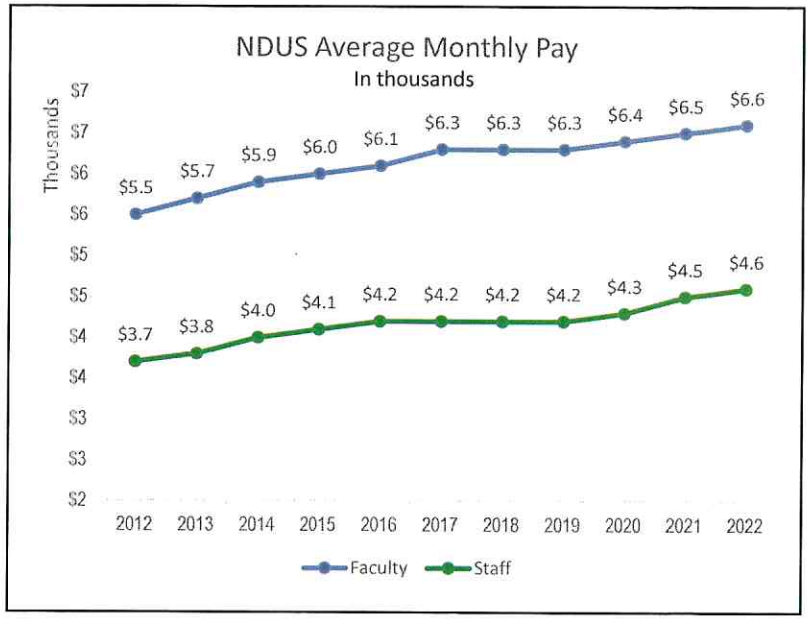
| $40,486 | 282 | 221.47 |
|---|---|---|
| Median Annual Income | 2022 Headcount | 2022 FTE |




## North Dakota University System

### Human Resource Measures 2011-2022

| $55,160 | 12,499 | 8,611.10 |
|---|---|---|
| 2022 Median Annual Pay | 2022 Headcount | 2022 FTE |



# Compensation Gap Funding

- Since 2016, the cost of living has increased **26%***, while total compensation for full-time faculty and staff positions has only changed **4%**.
    - In 2016, MaSU employees voted to forego increases in order to avoid layoffs.
    - In 2020, vacancies went unfilled, and positions were reduced as a reduction effort.
- This has created a market gap of **$4M** over time at Mayville State.
- MaSU is requesting a permanent base adjustment of **$1,742,000** bringing Mayville closer to the median within the NDUS and begin to close the workforce pay differential.

*CPI (Consumer Price Index) to the BLS (Bureaus of Labor Statistics) https://www.bls.gov/data/inflation_calculator.htm

# Total Mayville FTE Compensation Funding Sources

| General | Tuition | *Other |
|---|---|---|
| 37.4% | 28.1% | **34.5%** |

*Include Early childhood teachers, Dining Services, Housing and Bookstore services.

Examples of employees moved from General Appropriations to Other: Payroll personnel, Advisors, Nursing Administrative support.

OLD MAIN

DICKINSON® STATE UNIVERSITY

# Follow Up Budget Presentation

President Stephen D. Easton

**Senate Appropriations Committee--**

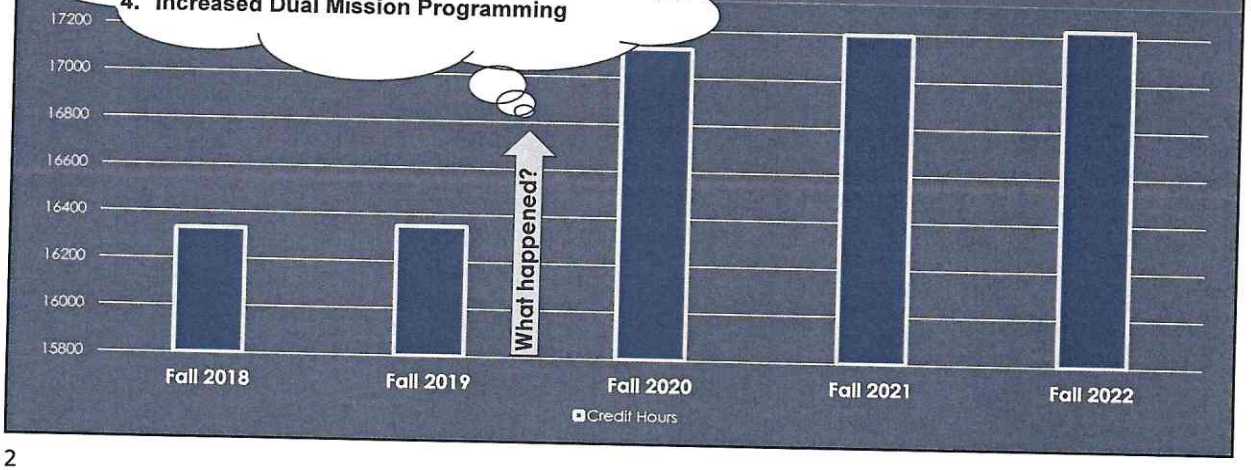
**Education and Environment Division**

**March 29, 2023**

1

## DICKINSON STATE CREDIT HOUR PRODUCTION

1. Tuition Model Revamp & Budget Adjustments
2. Tuition *Freeze*
3. Expansion of Delivery Modes
4. Increased Dual Mission Programming

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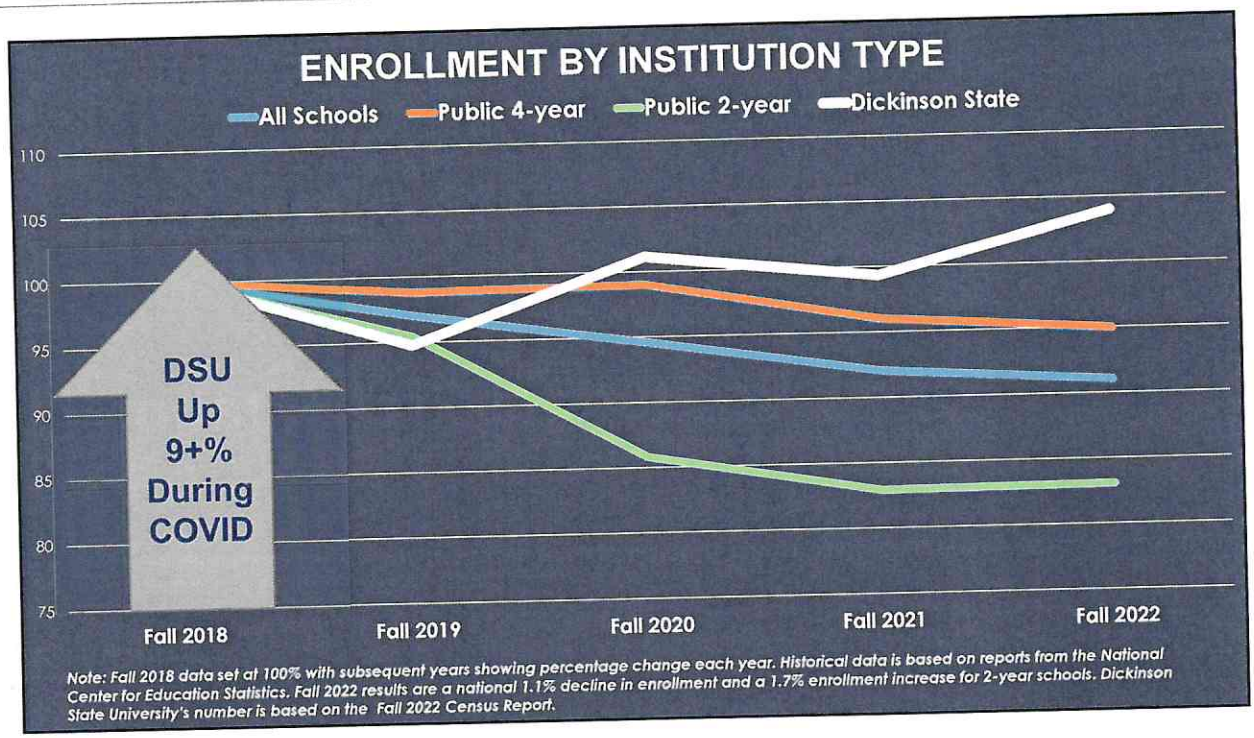
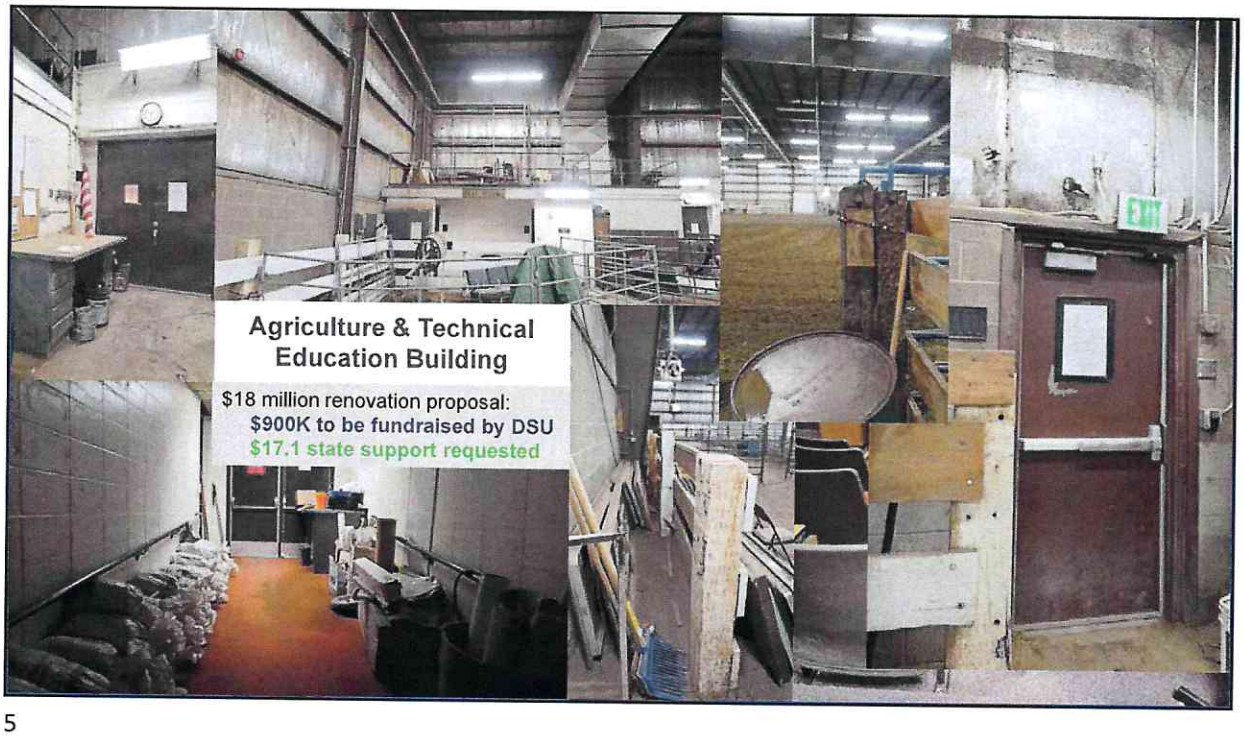

ENROLLMENT BY INSTITUTION TYPE
All Schools
Public 4-year
Public 2-year
Dickinson State
110
105
100
95
90
85
80
75
DSU Up 9+% During COVID
Fall 2018
Fall 2019
Fall 2020
Fall 2021
Fall 2022
Note: Fall 2018 data set at 100% with subsequent years showing percentage change each year. Historical data is based on reports from the National Center for Education Statistics. Fall 2022 results are a national 1.1% decline in enrollment and a 1.7% enrollment increase for 2-year schools. Dickinson State University's number is based on the Fall 2022 Census Report.

3

DSU-Specific Request
1. Agriculture Building Renovation Project: $17.1 million (with DSU raising $900,000)
DICKINSON STATE UNIVERSITY

4


Agriculture & Technical Education Building
$18 million renovation proposal:
$900K to be fundraised by DSU
$17.1 state support requested
EXIT

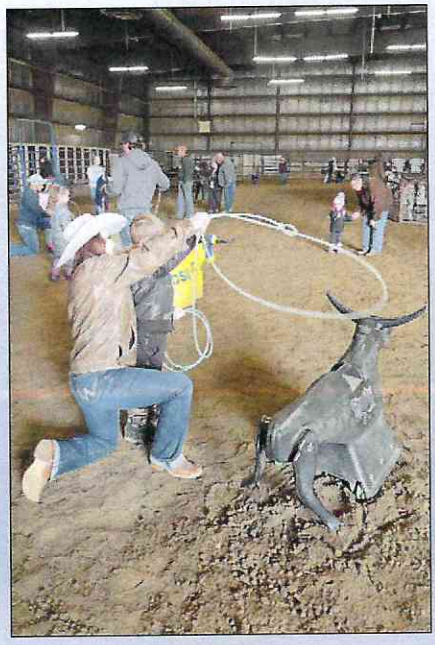
5

DSU West Campus Overview
Fairway St
DSU - Agriculture Building
Murphy Hall
Dickinson State University
Scott Gymnasium
Edgewood Hawks Point
Google

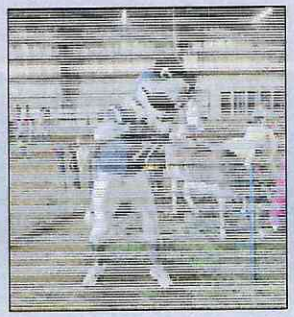
6

## 2022 Blue Hawk Stampede

7



**2022 Kids Day on the Farm**



8

# DSU-Specific Request

DICKINSON STATE UNIVERSITY

## 2. Ongoing Capital Projects: $2.6 million

9

## House Bill 1015

SECTION 6. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND-MATCHING FUNDS - ONE-TIME FUNDING.

1. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of $70,000,000, or so much of the sum as may be necessary, to the department of career and technical education for the purpose of a statewide area career center initiative grant program for the period beginning with the effective date of this Act, and ending June 30, 2023. . . .

4. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of **$4,000,000**, or so much of the sum as may be necessary, **to Dickinson state university for the purpose of a Pulver hall project, a meat processing laboratory remodel, and other projects** for the period beginning with the effective date of this Act, and ending June 30, 2023....

9. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

10

# DSU-Specific Request

3. Theodore Roosevelt Digitization Project: $1 million

11

## Theodore Roosevelt at DSU

| | |
|---|---|
| 2000-2001 | Theodore Roosevelt Honors Leadership Program established |
| 2005 | Theodore Roosevelt Initiative with Medora partners |
| 2006 | First annual Theodore Roosevelt Symposium |
| 2008-2009 | Theodore Roosevelt Center established |
| 2009-2010 | Library of Congress digitization began |
| 2011 | First summer intern program |
| | Website launched with 5,000 items indexed |
| 2022 | Relocation to Lowman Walton Hall. Gallery and Library opens. Archival Space expanded. |
| 2023 | Almost 82,000 items indexed |

12

# Theodore Roosevelt Digital Library

- TR wrote over 30 books, hundreds of magazine articles and as many as 150,000 letters
- Film, audio, letters, diaries, scrapbooks, speeches, essays, photographs
- Political cartoons, advertisements, sheet music, and many other types of contextual materials
- Documents of presidents before 1930 are scattered in libraries, archives, and private collections
- TR Center is gathering TR's papers "virtually" – equivalent of the archive portion of a presidential library

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## THEODORE ROOSEVELT DIGITAL LIBRARY

- Typical presidential library
  - Museum/Physical Space (Medora)
  - Archive/Documents (Dickinson State)
- DSU TR Center is gathering TR's papers "virtually" – equivalent of a presidential library archive

DICKINSON STATE UNIVERSITY

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## Theodore Roosevelt Digital Library

(sources)

- Library of Congress – largest TR collection
  - ~150,000 documents (485 reels of microfilm)
- Harvard University – 2nd largest collection
- National Park Service
  - Sites where he lived or significant events occurred: Birthplace, Sagamore Hill, Inaugural
  - Sites that commemorate his life and legacy: TR National Park, TR Island, Mount Rushmore
- Sherman Grinberg Film Collection
- Many other institutions and individuals

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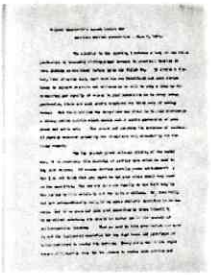
## TRDL - Research Advantages

- Documents in one place
  - Relationships between items held in different places (both sides of the conversation)
  - Both text and visual items (cartoons, photographs, newspaper coverage, etc.) of issues/events
- Searchable by topic, name, date, place
- Available any time, anywhere in the world

Examples of
Highly Used Research Materials

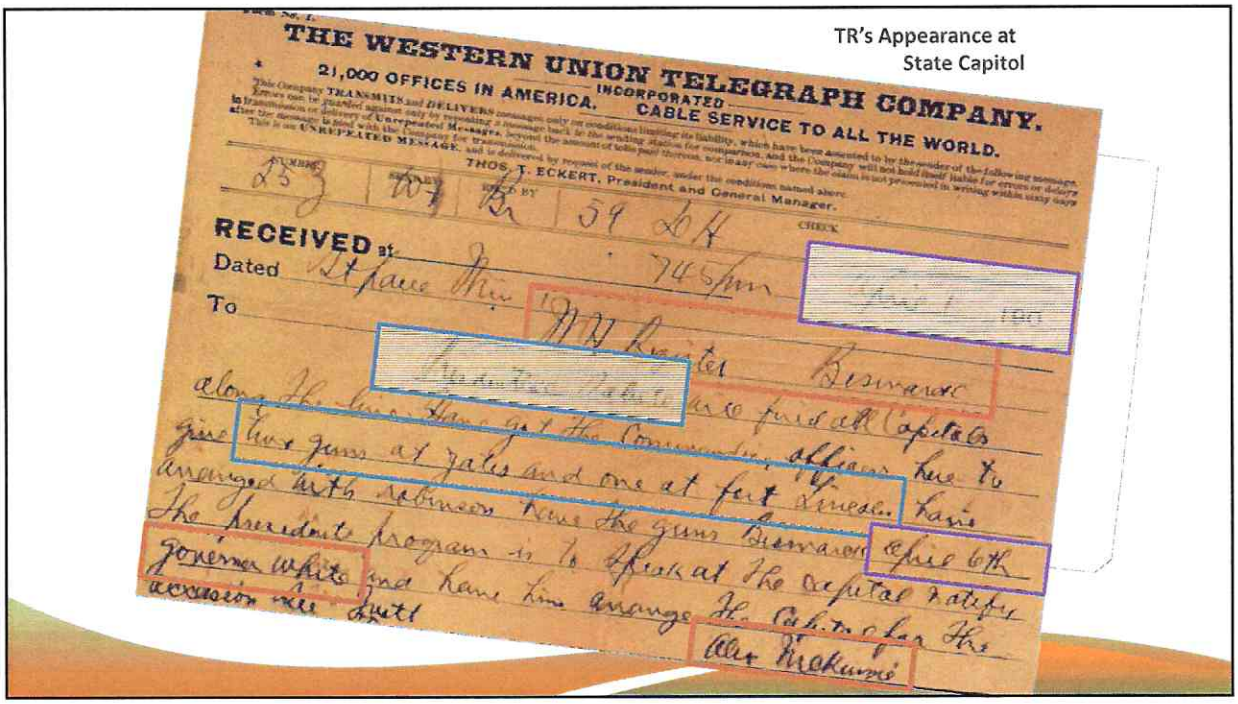


Speeches, such as this one to the American Medical Association

Encyclopedia articles

16

TR's Appearance at State Capitol



THE WESTERN UNION TELEGRAPH COMPANY.

INCORPORATED

21,000 OFFICES IN AMERICA. CABLE SERVICE TO ALL THE WORLD.

THOS. T. ECKERT, President and General Manager.

RECEIVED at

Dated St Paul Minn. 745pm

To

17

Theodore Roosevelt Center

v2.9.3 | Support | Help

Discover | Create | Lists

Logged in as: sharon.hilzer | Log Out

Object

Name: SHSND_0084

Collection: State Historical Society of North Dakota

Unique ID: 292504

Last Edited: 1/12/2021 9:20:15 PM

Last Editor: sharon.hilzer

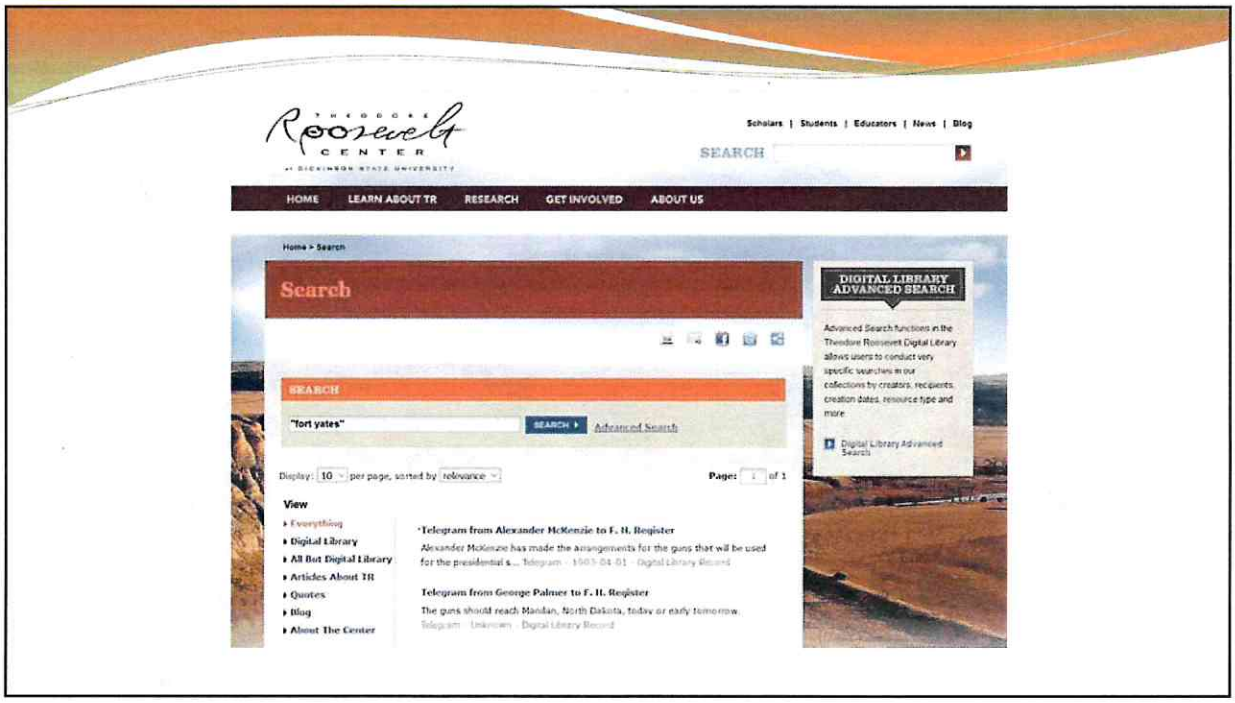
Page 1

Return to Planner

Primary Fields | Digital Object | Surrogate Object | Original Object | Workflow | Copyright | Links (0) | Attachments (1) | Lists (1)

| | |
|---|---|
| Title | Telegram from Alexander McKenzie to F. H. Register |
| Creator | McKenzie, Alexander, 1831-1922 |
| Creator Uncertain | False |
| Creation Date | 1905-04-05 |
| Creation Date Uncertain | False |
| Place Created | Minnesota--Saint Paul |
| Description | Alexander McKenzie has made the arrangements for the guns that will be used for the presidential salute, two from Fort Yates and one from Fort Lincoln. McKenzie urges Bosmarck mayor F. H. Register... more |
| Recipient | Register, F. H. (Francis Henry), 1859-1929 |
| Recipient Uncertain | False |
| Resource Type | Telegram |
| Production Method | Handwritten |
| Content Type | Text |
| Language | English |
| Subject | |
| Authorized Subject Names | White, Frank, 1858-1940 |
| Subject Names | |
| FAST Event Heading | |
| FAST Geographic Heading | North Dakota--Fort Lincoln (Burleigh County), North Dakota--Fort Yates |
| FAST Topical Heading | Firearms, Special events--Planning |
| FAST Composite Heading | |

18


Theodore Roosevelt Center
at Dickinson State University
Scholars | Students | Educators | News | Blog
SEARCH
HOME
LEARN ABOUT TR
RESEARCH
GET INVOLVED
ABOUT US
Home > Search
Search
SEARCH
"fort yates"
SEARCH
Advanced Search
Display: 10 per page, sorted by relevance
Page: 1 of 1
View
Everything
Digital Library
All But Digital Library
Articles About TR
Quotes
Blog
About The Center
Telegram from Alexander McKenzie to F. H. Register
Alexander McKenzie has made the arrangements for the guns that will be used for the presidential s... Telegram · 1903-04-01 · Digital Library Record
Telegram from George Palmer to F. H. Register
The guns should reach Mandan, North Dakota, today or early tomorrow.
Telegram · Unknown · Digital Library Record
DIGITAL LIBRARY ADVANCED SEARCH
Advanced Search functions in the Theodore Roosevelt Digital Library allows users to conduct very specific searches in our collections by creators, recipients, creation dates, resource type and more.
Digital Library Advanced Search

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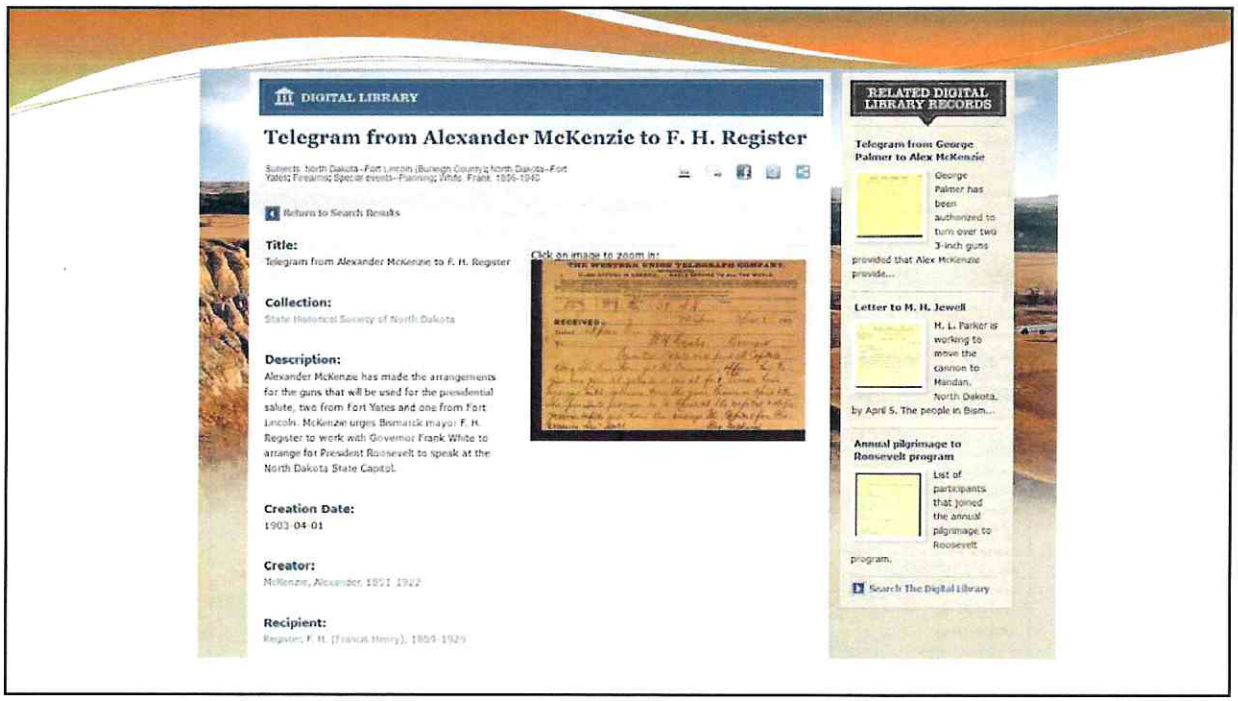
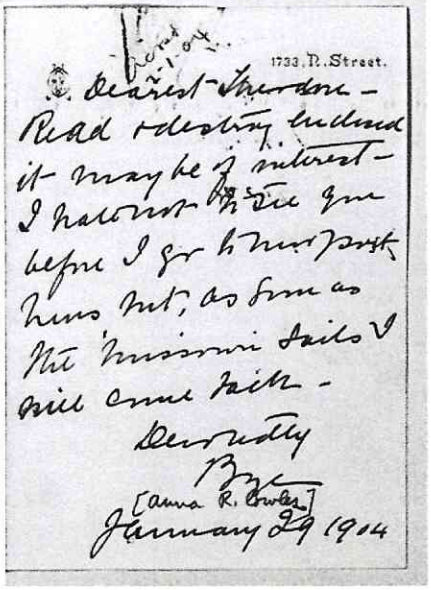

DIGITAL LIBRARY
Telegram from Alexander McKenzie to F. H. Register
Subjects: North Dakota--Fort Lincoln (Burleigh County); North Dakota--Fort Yates; Firearms; Special events--Planning; White, Frank, 1886-1940
Return to Search Results
Title:
Telegram from Alexander McKenzie to F. H. Register
Collection:
State Historical Society of North Dakota
Description:
Alexander McKenzie has made the arrangements for the guns that will be used for the presidential salute, two from Fort Yates and one from Fort Lincoln. McKenzie urges Bismarck mayor F. H. Register to work with Governor Frank White to arrange for President Roosevelt to speak at the North Dakota State Capitol.
Creation Date:
1903-04-01
Creator:
McKenzie, Alexander, 1851-1922
Recipient:
Register, F. H. (Francis Henry), 1859-1929
Click on image to zoom in:
THE WESTERN UNION TELEGRAPH COMPANY.
RECEIVED
RELATED DIGITAL LIBRARY RECORDS
Telegram from George Palmer to Alex McKenzie
George Palmer has been authorized to turn over two 3-inch guns provided that Alex McKenzie provide...
Letter to M. H. Jewell
H. L. Parker is working to move the cannon to Mandan, North Dakota, by April 5. The people in Bism...
Annual pilgrimage to Roosevelt program
List of participants that joined the annual pilgrimage to Roosevelt program.
Search The Digital Library

20



1733 N. Street.

Dearest Theodore –
Read rdesting enclosed
it may be of interest –
I hasten to write you
before I go to bed just
time to, as soon as
the Missouri sails I
will come with –
Devotedly
[Anna R. Cowles]
January 29 1904

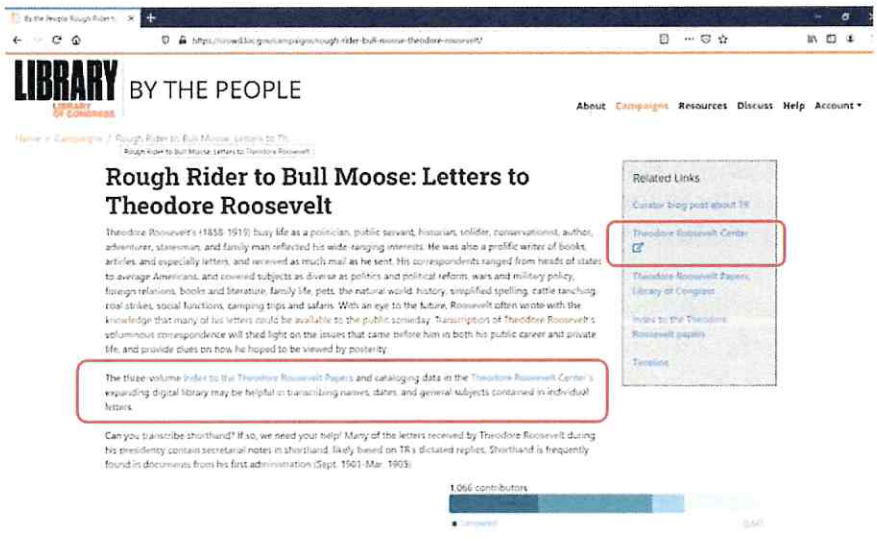
**Letter from Anna Roosevelt Cowles (Bamie) to her brother, President Theodore Roosevelt.**

**Collection:**
Library of Congress Manuscript Division

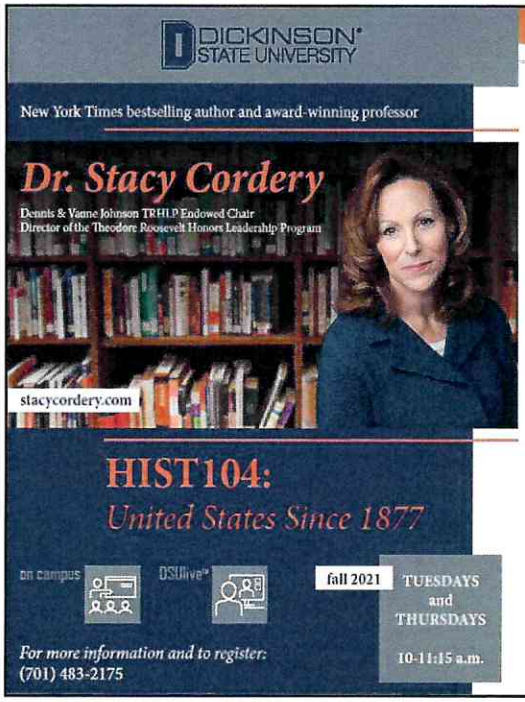
**Description:**
Anna Roosevelt Cowles asks her brother to read and destroy the enclosure which may be of interest to him.

**Creation Date:**
1904-01-29

21




22




## A Revolution...

- ... in the way historians conduct research, in the way history gets written, in the connections we'll be able to make that we likely never could have seen before, in the way teachers teach students about our nation's past, in the way we understand TR.
- ... that goes far beyond TR—historians and students and interested people will use the TRDL to learn more about Panama, the U.S. Navy, American diplomacy, New York state government, conservation, third-party politics ... and on and on.
- ... that goes beyond North Dakota—because people will access this site in Amsterdam and in Algeria, in every place where there's a computer and access to the worldwide web.

**Stacy Cordery**
**Roosevelt scholar**

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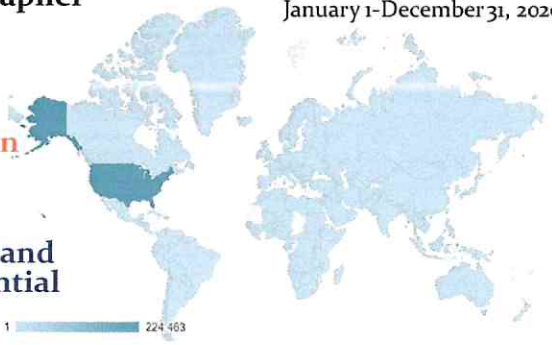
## Additional Praise for DSU's TR Center:

***"The Theodore Roosevelt Center is doing for TR what Princeton is doing for Wilson. Dickinson State University is the Princeton of the West."***

**Kathleen Dalton, Roosevelt biographer**

**TR Center Website Use**
January 1-December 31, 2020




Followed and shared on social media by:

- NARA Presidential Libraries accounts
- White House Correspondents Association
- Humanities Magazine

Positive feedback from dozens of teachers and hundreds of students through the Presidential Primary Sources Project

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# TR Center by the Numbers

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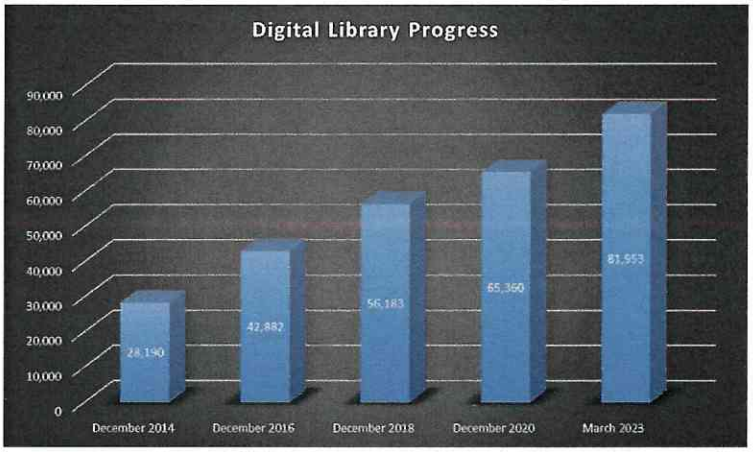
# TR Center by the Numbers




26

## NDCC 54-0701254-07-12. Theodore Roosevelt presidential library and museum endowment fund - Continuing appropriation - Budget section report.

House Bill 1003, Section 36. AMENDMENT. Subdivision c of subsection 2 of section 54-07-12 of the North Dakota Century Code is amended and reenacted as follows:

c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota, of which two million dollars is for the purpose of ~~creating an endowment to digitize~~ digitizing documents relating to Theodore Roosevelt and eight million dollars is for the purpose of creating an endowment for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

There i… rovide
for the … e
approp… rants
pursua…
1. The p… and
bindin… ities;
2. The g…
a. The g…
b. Any u… tructed
within …

c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota for the purpose of creating an endowment to digitize documents relating to Theodore Roosevelt and for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

d. The private entity agrees to donate three hundred thousand dollars to a city in North Dakota for prior costs incurred related to planning for a presidential library;

3. The governor provides a report to the budget section which includes copies of the documentation received for the certification provided in subsection 1; and

4. The governor provides a report to the budget section within thirty days of applying for the loan authorized by S.L. 2019, ch. 26, § 8, which includes all completed loan application documents.

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# NDUS Systemwide Requests

(in DSU priority order)

DICKINSON STATE UNIVERSITY

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## NDUS System Requests

4. Full Funding of Raises and Compensation Costs
5. **7.5% Increase to Funding Formula to Partially Cover Past Inflation**
6. $24 million Workforce Education Innovation Fund
7. **Increased Challenge Grant support, Including DSU Matching Funds at the Minot State and Bismarck State Level of $3 million**
8. **Student Mental Health Initiative** (including $327,000 for student mental health at DSU)
9. **Re-Energize Scholarship Program**

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VALLEY CITY STATE UNIVERSITY

# Funding Request

March 2023

| | |
|---|---|
| **HB1003 Senate Requests** | |
| 2021-23 Original General Fund Appropriation | $24,161,377 |
| Costs to Continue Salaries | $114,005 |
| Student Mental Health Initiative | $236,000 |
| Base Adjustments - Funding Formula | $480,872 |
| **"2021-23 Adjusted General Fund Appropriation, Net of Base Adjustments(Needs Based Budget Request)"** | **$24,992,254** |
| **2023-25 Adjustments** | |
| 2023-25 - 6%/4% Salary & Fringe Benefits General Fund | $1,010,261 |
| 2023-25 - 6%/4% Salary & Fringe Benefits Tuition Portion | $784,901 |
| 2023-25 - 6%/4% Health Insurance General Fund | $563,746 |
| 2023-25 - 6%/4% Health Insurance Tuition Portion | $382,547 |
| Inflation Base Adjustment (7.5% of Base) | $1,848,169 |
| **Total Adjustments** | **$4,589,624** |
| **2023-25 Base General Fund Request & Recommendation** | **$29,581,878** |
| **2021-23 Original Special Fund Appropriation** | **$26,686,846** |
| Base Payroll adjustments | $120,170 |
| **2023-25 Adjusted Special Fund Appropriation Request** | **$26,498,016** |
| **Recommendation Base Increases (Decreases):** | |
| 2023-25 - 6%/4% Salary & Fringe Benefits | $1,037,531 |
| Health Insurance increases | $526,804 |
| **Total Adjustments** | **$1,564,335** |
| **2023-25 Base Special Fund Request and Executive Recommendation - Special Funds** | **$28,062,351** |
| **Total All Funds** | **$57,644,229** |

| | |
|---|---|
| **Special Funded Capital Project Requests** | |
| VCSU McCarthy Hall - Teacher Workforce Remodel (SIIF) | $11,500,000 |
| VCSU McCarthy Hall - Teacher Workforce Remodel (Other) | $2,000,000 |
| VSCU Osmon Fieldhouse addition (Other) Capital Campaign Donations | $20,000,000 |
| VCSU Student Center renovation (Other) Capital Campaign Donations | $2,000,000 |
| **Total Capital projects** | **$35,500,000** |
| **Other Bill Impacts and Support Requests** | |
| 1040 HB Defined Contribution Benefit Plan | $34,175 |
| SB 2239 Defined Contribution Benefit Plan | $136,700 |

*Equity Pay Package - Governor's Recommendation tuition portion funded.*
*Capital Funding Tier 1 to 1 matching requirement change will allow VCSU to access funds quicker to address deferred maintenance needs.*
*Challenge Grant criteria allowing donor flexibility to determine the need area to allocate matching funds.*

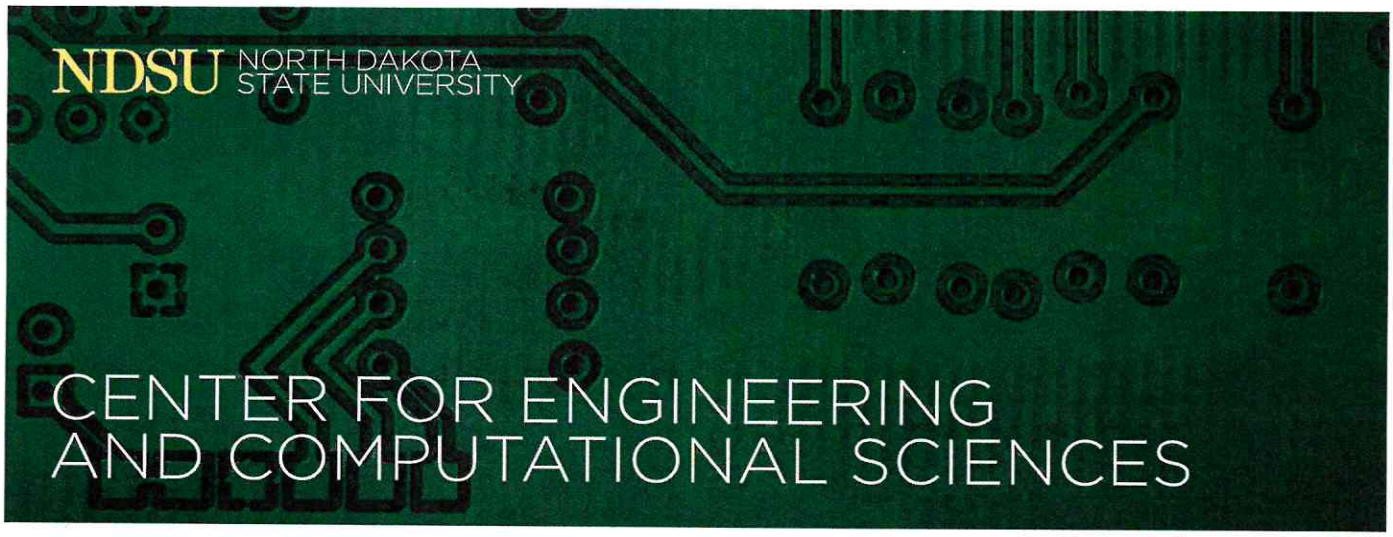
Lake Region State College

1801 College Drive North, Devils Lake, ND 58301-1598

(701) 662-1600 | (800) 443-1313 | fax (701) 662-1570
TDD (701) 662-1572 | www.lrsc.edu

# 2023-2025 Biennium Request

| Currently not included in HB1003 | Fiscal Note | Description |
|---|---|---|
| **Deferred Maintenance Capital Project**<br>▪ Roof restoration and replacement<br>▪ Parking lot, road & sidewalk repair & replace<br>▪ Humanities wing and connecting atrium | $5,041,000 | There are three very important deferred maintenance projects at LRSC that present a price tag beyond what our budget can cover. Had a roof diagnostic survey on 212,854 sq ft of roof: 13% roof area > 20 years old, maintain 55,732 sq ft, restore 145,026 sq ft, replace 12,096 sq ft. Humanities Wing and connecting Atrium were constructed in 1969 and have only had minor repairs. |
| **Currently not included in HB1003** | **Fiscal Note** | **Description** |
| ▪ **Capital project** - Wind turbine gearbox | $600,000 | |
| ▪ Cost to continue salaries<br>▪ 6% and 4% salary increases<br>▪ Tuition portion of 6% & 4% salary increases<br>▪ Health insurance increase<br>▪ Tuition portion of health insurance increase<br>▪ Formula adjustment CTE<br>▪ 98% minimum amount payable | $65,404<br>$619,558<br>$533,533<br>$257,641<br>$204,725<br>$412,756<br>$469,285 | Covering these items will help LRSC keep good employees while freezing tuition and not passing that cost on to the student.<br><br>This is $412,756 less due to the formula adjustment for CTE. |
| ▪ Funding formula 7.5% operating costs inflationary increase | $981,333 | Inflation has hit all aspects of doing business. We would appreciate your support with this increase. |
| ▪ Student mental health initiative<br>▪ Tier I funding 1-1 match rather than 2-1<br>▪ Challenge Grant increase<br>▪ Systemwide marketing program<br>▪ Narrow definition of cap on fees | $109,000 | Mental health is an important need on all NDUS campuses.<br>In favor of the Challenge Grant being used for all needs.<br><br>We have a need to increase our activity fee & room and board. |
| **OTHER Bills Affecting Appropriations** | **Fiscal Note** | **Description** |
| **Defined Benefit Closure** (if the Defined Benefit Plan is closed) | | Covering the closure of the Defined Benefit Plan would be tough to cover on an already tight budget. With the freeze of tuition, it is difficult to cover this increase. |
| ▪ Assistance if HB1040 passes<br>▪ Assistance if SB2239 passes | $265,900<br>$79,970 | The special fund portion for the 23-25 biennium of HB1040.<br>The other fund portion for the 23-25 biennium of SB2239. |
| **SB2015**<br>▪ Equity package<br>▪ Tuition portion of equity package | $337,263<br>$210,022 | SB2015 includes an equity package that would help us keep our valued employees. It is difficult to recruit and retain qualified employees due to the labor shortage. |
| **Not specific to LRSC**<br>▪ HB1241 Workforce Innovation Grant Program<br>▪ SB2197 Re-energize ND Scholarships | | |




## NEW FACILITY, RENOVATION OR DEMOLITION AND RECONSTRUCTION

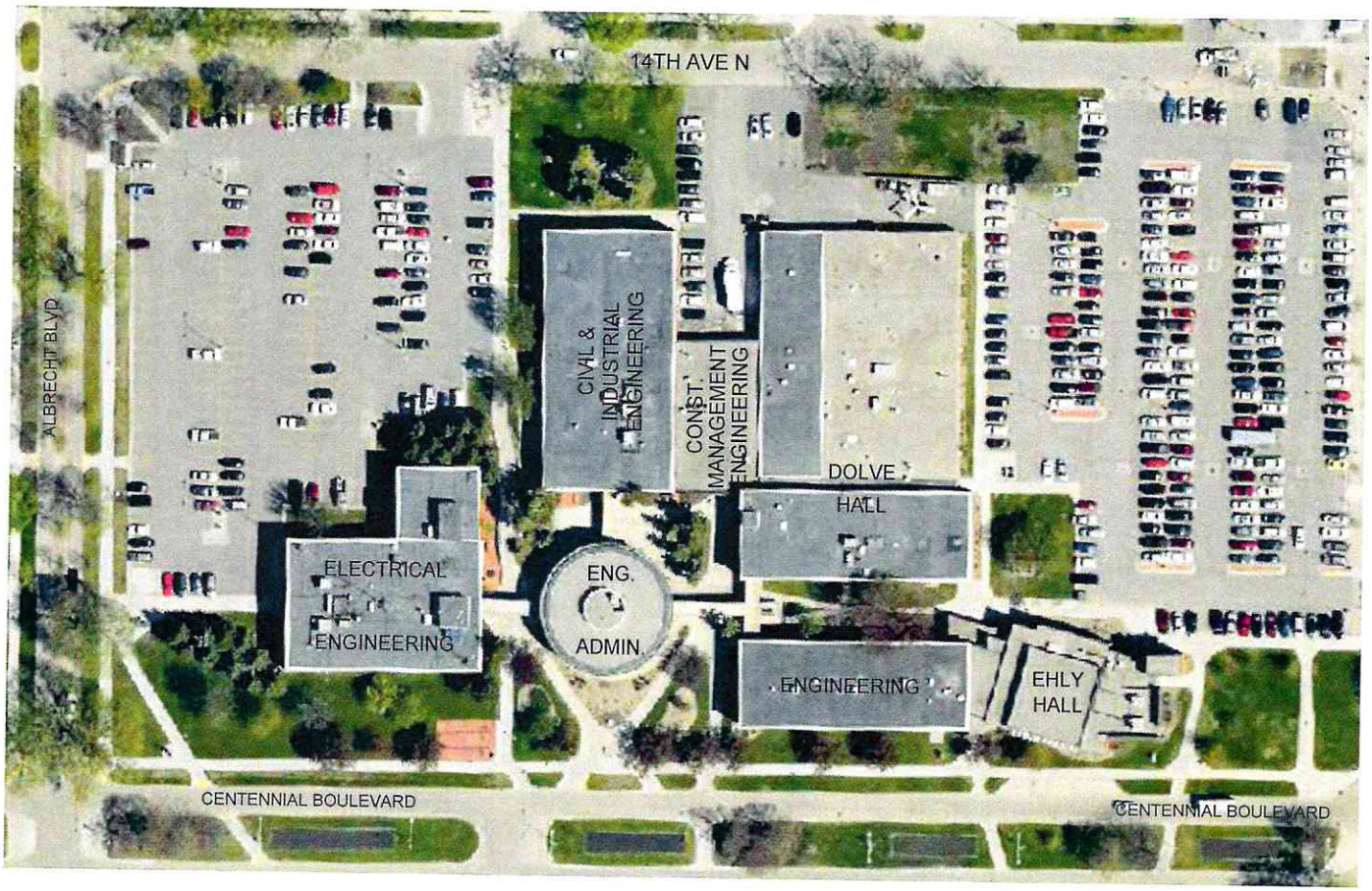
NDSU seeks to meet North Dakota's workforce needs by recruiting and educating future generations of leaders in engineering, innovation, and entrepreneurship. The College of Engineering (COE) has more than 2,500 students in 12 different programs with nearly all currently choosing to be in person. The new facility will house numerous academic areas making it more efficient and creating interdisciplinary collaboration among high-demand, ground-breaking areas, including:

- **Precision agriculture and autonomous systems**
  Designing the farm of the future that will improve the efficiency of food production for a growing global population.
- **Energy stewardship**
  Harnessing our abundant resources in a manner that promotes the responsible and efficient generation, conversion, distribution, and storage of power and energy.
- **Computer science, cybersecurity, and artificial intelligence**
  Providing advanced technological solutions for safety and security in a world that is becoming more driven by autonomous systems and marketplaces.
- **Entrepreneurship and commercialization of new technology**
  Accelerating research to move innovative ideas from the laboratory into technology start-ups with solutions that benefit society.

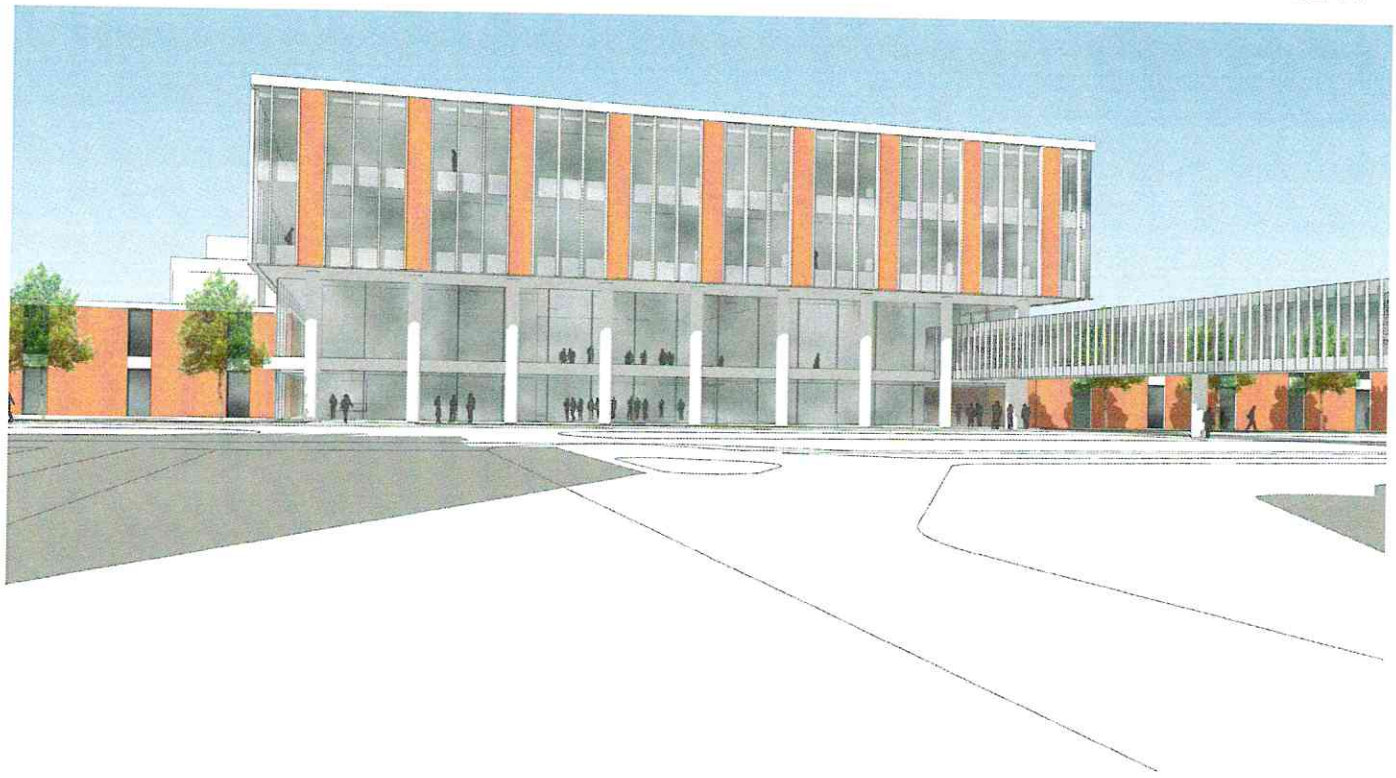
The current engineering complex is comprised of seven buildings, and four of the buildings were constructed in 1965 when the engineering enrollment was approximately 300 students and virtually no research was being conducted. Since that time, only 20,000 square feet have been added, even though the enrollment and research operations have grown significantly ($14.2 million in research awards were awarded to the COE in 2022). However, due to the space limitations, our research competes for resources needed by students. The request is to construct a new facility and to renovate some of the existing space. Engineering Administration and the Agricultural and Biosystems Engineering Building will both be demolished. Their operations will be transferred to the new facility.

An ultra-modern facility will advance NDSU's workforce and economy in multiple ways by: (1) supporting recruitment and retention of both North Dakota and out-of-state students; (2) providing a collaborative, interdisciplinary educational experience to ensure NDSU graduates field-ready engineers; (3) enabling NDSU to create high-quality, online content for new courses and programs via the facility's advanced educational and technical tools; and (4) generating even more return on investment through increased success on federal grants thanks to cutting-edge research lab space.

*continued on back page...*


14TH AVE N
ALBRECHT BLVD
CIVIL & INDUSTRIAL ENGINEERING
CONST. MANAGEMENT ENGINEERING
DOLVE HALL
ELECTRICAL ENGINEERING
ENG. ADMIN.
ENGINEERING
EHLY HALL
CENTENNIAL BOULEVARD
CENTENNIAL BOULEVARD

CONCEPT A



NORTH DAKOTA STATE UNIVERSITY

# LEGISLATIVE BUDGET PRIORITIES

| PRIORITIES | HOUSE AMENDED | SENATE REQUEST |
|---|---|---|
| **HE Funding Formula: Minimum amount payable (Hold Harmless)**<br>*Permanent restoration of the minimum amount payable NDCC15-18.2-06; slows funding decreases as credit production drops. Provides additional time for strategic planning and efficient reduction of fixed operational costs.* | **$2,054,479**<br>(96%) | **$2,054,479**<br>(96%) |
| **HE Funding Formula: Inflationary increase adjustment**<br>*Provide permanent operating increase adjustment of **7.5%** from general funds.* | | 7.5% inflationary cost increase |
| **Compensation Package**<br>*Provide salary increases of 6% and 4%. Provide a permanent salary increase adjustment for the **student share of 2023-25** compensation package increase. College affordability is a significant factor in student access, retention and completion.* | **Student share of compensation package** | **Student share of compensation package** |
| **IT Network Infrastructure**<br>*Request for base general funds for including network infrastructure funding, research and education network resources for Internet2 connectivity, Computational Research, Cybersecurity Maturity Model Certification (CMMC).* | **$3,201,100** | **$3,201,100** |
| **Behavioral Health Initiative**<br>*Provides for additional services, to meet the student demand for outreach and prevention efforts to ensure the well-being for campus students.* | **$1,100,000**<br>One-time funding | **$1,100,000**<br>*Base funding* |
| **Workforce Development (House Amendment)** | **$4,800,000**<br>One-time funding | **$4,800,000**<br>*Base funding* |
| **Capital Project Request** | | |
| • Engineering Project-$111,600,000 | **$84,000,000** | **$84,000,000** |
| › General Funds: $83,700,000 | | |
| › Special Funds: $27,900,000 | | |
| | | |
| Capital Project Authorization Request-Special Funds | | |
| • Music Building Addition/Renovation | **$20,000,000** | **$20,000,000** |
| • Sudro Hall Small Animal Research Facility Expansion and Renovation | **$3,000,000** | **$3,000,000** |
| | | |
| ADDITIONAL PRIORITIES: | | |
| **Challenge Grant Funding**<br>• NDSU<br>• NDSU – Main Research Center | **$5.0M**<br>**$4.0M** | **$5.0M**<br>**$4.0M** |
| **Capital Building Fund**<br>*Continue to allow use for academic and auxiliary type buildings with Tier Funds.* | **Support House amendments** | |

*Continued on back page*

NORTH DAKOTA STATE UNIVERSITY

# LEGISLATIVE BUDGET PRIORITIES

| **Capital Building Fund** | **Tier I** | **Tier II** | **Tier III** | **Total** |
|---|---|---|---|---|
| 2021-23: Current match requirements | | | | |
| NDSU match (ExtrOrd Rep GF $2,732,244 + SF $5,464,488) | $8,196,732 | $2,899,596 | $4,500,000 | $15,596,328 |
| State Funds match | - | $2,899,596 | $2,250,000 | $5,149,596 |
| Total | $8,196,732 | $5,799,192 | $6,750,000 | $20,745,924 |

| **2023-25: Capital Building Fund-House engrossed** | **Tier I** | **Tier II** | **Tier III** | **Total** |
|---|---|---|---|---|
| **NDSU match** | **$8,196,732** | **$5,799,192** | **$2,250,000** | **$16,245,924** |
| **State Funds match** | **-** | **$5,799,192** | **$2,250,000** | **$8,049,192** |
| **Total** | **$8,196,732** | **$11,598,384** | **$4,500,000** | **$24,295,116** |

**DAKOTA COLLEGE AT BOTTINEAU**
**2023-2025 Budget Request Summary**

| | | |
|---|---|---|
| 2021-2023 General Fund Base Budget | $9,537,862 | |
| Base Budget Request | | |
| - Funding Formula increase | $428,768 | |
| - Salary continuation adjustment | $49,819 | |
| - Salary Increase | $696,639 | |
| - Health Insurance Increase | $308,287 | |
| - Behavioral Health Initiative | $170,000 | |
| Total Base General Fund Request | $1,653,513 | per HB 1003 |
| 2023-2025 General Fund Base Budget | $11,191,375 | |
| 2023-2025 One-Time Capital Funding | | |
| Old Main Renovation | $4,300,000 | SIIF, per HB 1003 |
| | $1,000,000 | Local, per HB 1003 |
| | ***$500,000*** | ***Senate Request*** |

**Request Summary (3-22-2023):**

1. Maintain funding formula increase and salary continuation funding.
2. Salary increases restored to 6% and 4%, with tuition portion covered.
3. Old Main Capital Request adjusted to ***$4,800,000*** to cover local match decrease.
   Local match would remain at 12% of project total, which is manageable.
4. Support for the $75,000,000 salary equity pool in SB 2015.
   Salary levels at DCB are among the lowest in the System.
5. Behavioral Health Initiative funded as ongoing item rather than one-time.
   One-time funding is problematic due to need to hire personnel.
6. Consider providing 7.5% inflationary increase originally requested by NDUS.
7. Maintain increased Challenge Grant funding level of $1,000,000 for DCB.
   Additionally, widening the parameters would assist with fundraising.
8. Support $24,000,000 NDUS Workforce Innovation Grant funding.
   DCB could utilize this funding for equipment to begin new programs.
9. Support $900,000 request for systemwide marketing for NDUS.
   DCB has limited funding for marketing, so this would be beneficial.

**University of North Dakota**

**Summary of Legislative Requests**

| Operations - HB 1003 | UND | Page number from Senate handouts/Comments | SMHS | SMHS Comments |
|---|---|---|---|---|
| Base Funding from Funding Formula | $ 150,031,070 | pg 15 | $ 70,374,752 | GF + HWI |
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| High performance computing | $ 3,201,000 | pg 16 | $ - | |
| Behavioral health support | $ 660,000 | pg 25 | $ - | |
| | $ 189,084,348 | | $ 81,627,457 | |
| **Capital - HB 1003** | | | | |
| STEM building phase 1 | $ 57,400,000 | pg 24 | $ - | |
| STEM building phase 2 | $ 52,000,000 | pg 24 | $ - | |
| Inflationary increase on Merrifield/Twamley Hall project | $ 12,500,000 | Project was approved during special session | $ - | |
| | $ 121,900,000 | | $ - | |
| **Other - HB 1003** | | | | |
| Challenge grant funding | $ 5,000,000 | pg 25 | $ 4,000,000 | |
| National security and space initiative | $ 45,000,000 | pg 25 - See attached details | $ - | |
| | $ 50,000,000 | | $ 4,000,000 | |
| Total | $ 360,984,348 | | $ 85,627,457 | |
| **Requests with no fiscal impact** | | | | |
| Bonding permission for EERC - local funds only | $ - | $33M local funds | | |
| Change Merrifield Project funding from special session to Merrifield/Twamley Project | $ - | Project always included Twamley Hall, but language in final bill missed both building names. | | |

# MINOT STATE UNIVERSITY: Dakota Hall and Academic Buildings

Requested Supplementary Information – Governor's Office – March 24, 2023

## Dakota Hall

1. **New Facility, renovation or demolition and reconstruction**

This project is for a complete demolition of Dakota Hall residence hall. The 92-year old building has not been used to house students for several years and is mostly empty. The Hall is in disrepair beyond its useful life, but still requires expenditures each year for utilities, insurance, and basic maintenance. There is plenty of student housing availability on and near campus, and the costs of renovating the existing structure are prohibitive. Dakota Hall will be razed and not replaced.

2. **Number of square feet**

Dakota Hall is 29,736 square feet.

3. **Was the Building listed on the NDUS projects list?**

Yes. The $765,000 Dakota Hall demolition request was ranked as a priority project in the "top tier" among all NDUS requests by the State Board of Higher Education.

4. **Location of the Building**

Dakota Hall is located on campus. Please see attached campus map.

5. **Will any funds be raised for the project?**

There is no intention to attempt to raise funds for this demolition.

6. **Has this building already been funded by the Legislature?**

This is a new request for the 2023 Legislative Session, and funding of $765,000 for the project is included in the currently engrossed version of HB 1003.

## Academic Buildings

1. **New Facility, renovation or demolition and reconstruction.**

This request includes funding for multiple academic departments on campus. The primary focus of this request is almost entirely on renovating existing campus facilities. Aside from replacing the campus Greenhouse, every other expenditure would go toward renovations with no new or additional square footage. These projects are focused on workforce, and specifically geared toward such academic areas including Nursing, Cybersecurity, Cyber Operations, Math/Computer Science, Entrepreneurship, Data Science, Exercise Science, Biology, Chemistry, and Wildlife:

- Expand MSU's Nursing Department to attract and graduate a larger number of Nursing students each year.

- Renovate the 60-year old Hoffman Auditorium lecture hall in Cyril Moore Science Center.
- Replace the 60-year old Biology Greenhouse that is beyond its useful life.
- Modernize the Cybersecurity labs and classrooms; MSU's new Cybersecurity & Operations program has grown from 4 declared majors in Fall 2020 to 34 in Fall 2022. MSU achieved federal NSA and DHS status as a Center of Academic Excellence in Cyber Defense in 2022.
- Modernize the Math labs and classrooms to support Math and Computer Science majors.
- Renovate and modernize a number of classrooms in various academic departments and buildings across campus in growing areas such as Entrepreneurship and Exercise Science.

**2. Number of square feet by category (all are renovations, except replacement of Greenhouse)**

| | |
|---|---|
| - Nursing Expansion (Memorial Hall – academic space) | 9,500 S.F. |
| - Science Lecture Hall (Cyril Moore Hall – academic space) | 4,300 S.F. |
| - Biology Greenhouse (connected to Moore Hall – academic space) | 500 S.F. |
| - Math/Computer Science Renovations (Model Hall – academic space) | 5,000 S.F. |
| - Cybersecurity Upgrades (Model Hall – academic space) | 6,000 S.F. |
| - Classroom Modernizations (Multiple Buildings – academic space) | 16,000 S.F. |

**3. Number of Classes and number of students that will utilize the space.**

| | |
|---|---|
| - Nursing Expansion (Memorial Hall) | Increase annual Nursing enrollment |
| - Science Lecture Hall (Cyril Moore Hall) | 10 courses/semester - 395 students |
| - Biology Greenhouse | Student lab and project work |
| - Math Renovation (Model Hall) | 29 courses/semester – 457 students |
| - Cybersecurity Renovation (Model & Old Main) | 12 courses/semester – 128 students |
| - Classroom Modernizations (multiple facilities) | 60 courses – 900 students |

**4. Was the proposal listed on the NDUS projects list?**

No. The proposal was developed during House Appropriations deliberations on HB1003.

**5. Location of the buildings.**

All renovation projects are in existing academic buildings except for the proposed Greenhouse replacement which is a separate facility connected to Cyril Moore Hall, which houses the Science departments. Please refer to the attached map for campus locations.

**6. Provide any designs, renderings or blueprints that are currently available.**

No formal designs have yet been developed.

**7. Will any funds be raised for the project or have any funds already been raised?**

HB 1003 requires a 5% fundraising matching component. Matching funds will be raised in collaboration with the MSU Development Foundation but have not yet been identified.

**8. Has this building already been funded by the Legislature and if so, please describe the use of the new funding?**

Project funding of $7.6 million with a $400,000 required matching component is included in the currently engrossed version of HB 1003.

# BUDGET REQUEST PRIORITIES – MINOT STATE – Additional Notes; 3-29-23

## DAKOTA HALL DEMOLITION

- Need to move Daycare – otherwise, ready to go
- Building costs more annually than the daycare provides in lease payments. The deferred maintenance is catching up to the building. The daycare can't stay indefinitely due to deteriorating building conditions.
- Would be cost prohibitive to renovate the building
- Not much demand for this style of residence hall
- Too much excess capacity on campus and nearby.
- Demolition would save steam loop heating, electricity, insurance, maintenance; approximately $50,000/annually

## ACADEMIC BUILDINGS RENOVATIONS

- Matching funds can be quickly raised. The projects can all move forward quickly.
- The projects are needed to graduate more students in critical-need workforce disciplines, improve the quality of the education in those disciplines, and make the programs more relevant.

## HARTNETT HALL INFLATION ADJUSTMENT

- JLG Architects - April 2020 estimated preliminary design - $25.2M.
- Ackerman Estvold - Schematic Design Cost - $31.2M per McGough Construction estimates.
- Some of the increase was due to design changes and more detailed estimates by the CMAR. But Field Labor Costs increased by approximately 8% per year from preliminary design and Construction Materials costs increased by approximately 6% per year during the 2 ½ years between the preliminary design estimates and the final Guaranteed Maximum Price by the CMAR. Applying those increases over that period of time calculates to a $3.9 million increase.
- MiSU value-engineered the excess costs down to budget.
- McGough Construction – Jan 2023 final GMP including soft costs- $24,899,131.

Hartnett Hall Budget Reductions (some):

Aleshire Theatre

- Rigging
- Theatre Lights
- Theatre Sound
- Certain space amenities such as sound clouds

FFE was eliminated from the budget.

Tables & Chairs; Desks; Storage for Theatre supplies; Other storage; Various classroom/lab equipment

Signage was reduced.

Eliminated the owner's contingency.

Moving and Storage Fees increase.

Lowered the quality of some casework and cabinetry.

A/V and some classroom amenities were removed from the project budget. Those will be paid from University reserves.

| | 4/2020 | 12/2021 | 5/2022 | 1/23 |
|---|---|---|---|---|
| | JLG Architects Preliminary Design | Awarded ARPA Funds | Ackerman/Estvold Architects Schematic Design | McGough Constr Final Guaranteed Maximum Price |
| Construction Costs | 19,408,400 | | 26,711,517 | 21,835,798 |
| Soft Costs | 5,822,520 | | 4,563,333 | 3,063,333 |
| Total Estimate | $25,230,920 | $25,000,000 | $31,274,850 | $24,899,131 |

**NON-COMPENSATION INFLATION ADJUSTMENT – examples :**

Travel expenses – especially team-travel

Utilities & Insurance FY'22 actuals $1,914,035

FY '23 projected $2,125,961

RY '24 estimate $2,210,999

Custodial/maintenance/lab/Instructional/copy/office/I.T. supplies

Software Licenses

Outsource Groundskeeping(can't hire for position)

Looking at robotic vacuums (difficulty in hiring custodians)

**University of North Dakota**
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UNIVERSITY OF NORTH DAKOTA

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# UND National Security Initiative

**Description:**
Enhancements of the Center for Space Education and Research that expand on existing as well as planned investments from the University and the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences would greatly benefit North Dakota, the region, and the U.S. UND continues its investment in its National Security Initiative (NSI) to expand the university's capacity to pursue, secure, and execute projects with federal agencies including the Department of Defense (DoD) and Department of Homeland Security (DHS). The NSI has generated numerous opportunities in research, training, and education for a broad range of colleges, schools, programs, faculty, and undergraduate and graduate students. The NSI is expected to continue to expand opportunities in these areas for the foreseeable future. The first phase of the NSI focused on space-related activities, building on established expertise in UAS/Autonomy and mobility in the air domain into a cohesive Surface-Air-Space (SAS) domain, integrating ground vehicles, airborne assets, and satellite architectures like the constellation in development by the Space Development Agency (SDA) as well as partner companies.

The second phase of the NSI will continue to align with UND's 6-year planned investment of $7.5M in strategic funding to advance National Security Research activities. This phase will expand the focus of the NSI to address topics that cut across the SAS domain in areas such as Virtual Reality (VR), Cyber Security, High-Speed Optical Communication, and physical spaces to perform meaningful experiments and system testing in a variety of environmental conditions. These resources would position UND, and the state of North Dakota, to effectively support National Security agencies and industries that are actively operating in the state (such as SDA, Grand Forks Air Force Base (GFAFB), North Spark Defense Lab, and the United States Space Force), and to entice additional partners to establish a presence here. The envisioned capabilities support research activities starting with the Vice President of Research & Economic Development, the Research Institute for Autonomous Systems, the John D. Odegard School of Aerospace Sciences (Space Studies, Atmospheric Sciences, and Aviation departments), the College of Engineering and Mines (Electrical Engineering & Computer Science and Mechanical Engineering departments), and the College of Arts & Sciences (Chemistry, Mathematics, Physics & Astrophysics, and Psychology/Human Factors departments).

**Expected Outcome:**
Expansion of the NSI is designed to increase federal funding from the DoD and DHS. A conservative funding target is an annual increase of $3M in research expenditures from these two agencies, building on a baseline established in FY22 (~$2.5M)—over a 100% increase. The Center will help attract star research faculty and staff in national-security-related fields to include graduate students and post-doctoral researchers. These efforts will drive development of new capabilities that ensure U.S. National Security preeminence, while supporting key partners in the region (industry, the GFAFB, etc.) through technology development and technology transfer/economic development. Enhancement of our innovation ecosystem would further fortify its importance to the nation, especially for SAS (autonomous) systems/capabilities, including key resources (e.g., the GFAFB). While primarily a research initiative, the NSI will substantively refresh academic programs. Enhancement of this center will deliver more educational opportunities online and on-campus with state-of-the-art technology and research labs. It will foster high-tech workforce development in key emerging areas at both undergraduate and graduate levels, increase opportunities for student engagement in hands-on and applied research and training opportunities, and assist with growth and diversification of the ND state economy, especially in the high demand, rapidly growing high-tech sector.

**Connection to Existing Program:**
This project will continue to support existing and growing programs and research in national-security-related fields in the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences and leverage ongoing strategic investments from the University. The National Security Initiative supports Goal 4 of the UND Strategic Plan (to Enhance Research) and puts an action to the UND Grand Challenges of Autonomous Systems and Big Data. These two Grand Challenges encompass areas of research and education identified by UND as priorities critical to the state and areas in which we are nationally competitive.

*The University of North Dakota is an equal opportunity / affirmative action institution.*

| Infrastructure Project | Description | Estimated Cost |
|---|---|---|
| Satellite and Space Debris Tracking | A series of antennas would be installed and used to collect data to track satellites and space debris. This facility would allow for both student projects and faculty research, including the analysis of satellite and space object data, development of advanced tracking software, and development and testing of new antennas and sensors. | 2,000,000 |
| High-Speed Laser for Optical Comms. | Ultrafast, powerful, high-speed lasers will be acquired and installed in Witmer Hall and the Tech Accelerator. This will position UND to respond to Department of Defense, including United States Space Force (USSF), opportunities--many of which are focused on optical communications. It will also expand partnership opportunities with commercial entities. Another benefit is it will enable research with materials that are otherwise unavailable, leveraging recent investments in the nanofoundry. | 5,000,000 |
| Molecular Beam Epitaxy | Molecular Beam Epitaxy is the state-of-the-art methodology for constructing single crystals with precisely controlled composition. Its principal use is for the development of semiconductor devices on the nanoscale. Because the device operates under ultrahigh vacuum conditions, high purity, defect-free devices can be built that are inaccessible by other means. This allows access to unique materials and devices, including organic semiconductors and various quantum materials (including quantum wells and superlattices); MBEs are used in the search for high temperature superconductors and artificially layered magnetic materials. DARPA has identified 3D heterogeneously integrated (3DHI) technologies as the key objective to enable disruptive microsystems of tomorrow. It further states that without this technology, the US will fall behind in artificial intelligence, autonomous systems and robotics, and networked sensing. | 2,000,000 |
| Digital Engineering and Virtual Reality - DREAM Laboratory | This investment will create the Digital Realism in Engineering and the Applied Metaverse (DREAM) and establish UND as the institutional lead. The partnership consists of four major academic and industry collaborators: UND, NVIDIA Corp., Lenovo USA, and the Ohio Supercomputing Center (OSC). DREAM will expand existing UND-based Artificial Intelligence (AI) and Virtual Reality (VR) projects. This growing UND research capacity addresses clear needs of national defense labs to reproduce reality as high-fidelity virtual spaces (aka Digital Twins). Such Metaverse environments allow for the integration of human physical training into virtual combat spaces while simultaneously providing the capability to generate synthetic data for use in training digital bots for real-world military missions via AI and Machine Learning (ML) algorithms. | 6,500,000 |
| Cybersecurity Research Infrastructure | This investment will create a stand-alone network with infrastructure to enable researchers to test cybersecurity tools and techniques on a production-like environment. This system will also allow advanced system integration for cybersecurity research on development platforms to create networks and tools for future cyber security techniques. This tool will support established research activities and lead to more research opportunities from federal agencies and private sector corporate partners. | 2,000,000 |
| Cyber Range | This investment will create a cloud-based cross-disciplinary training tool that training students to manage cyber security attacks in a variety of scenarios. It is a very immersive experience provide performance-based learning and assessment, an environment for teams to work together to improve teamwork, and simulate on-the-job experiences related to Security Operations (SecOps) and Development Operations (DevOps). | 1,000,000 |
| 3D Rocket Laboratory | This would create a laboratory for designing, fabricating, and testing novel 3D rocket engine designs, injectors, and turbopumps. This includes novel materials for improved heat transfer and performance at high temperatures and would enable testing of materials that could be utilized in Lunar and Martian missions. | 1,500,000 |
| Autonomous System Environment Development and Test Facility | UND has a long history of research excellence in autonomous systems, particularly with Unmanned Aircraft Systems. Collaborators across the campus have coalesced around this topic with significant success in generating external partnerships and ongoing funding. As autonomous systems take up increasing tasks, it is critical to increase reliability and the ability to operate in a variety of conditions, including wind, rain, fog, dust, and so forth. The design of robust autonomous systems that are resilient to these conditions is a critical need, as is the need to test existing and proposed autonomous systems in these environments. This effort aims to establish a common area in which researchers from across campus can work to design, develop, fabricate, and test robust and reliable autonomous systems in the harsh environments that they will experience in practice. We propose to renovate an existing facility to house fabrication and testing labs for small to medium sized autonomous systems, office space for data processing, autonomous algorithm development, cybersecurity research, and public policy research. This facility will also house a full environmental testing facility that can subject autonomous systems to environmental conditions in a controlled way. | 18,500,000 |
| Controlled Environment Field-Testing Facility | This would create an indoor, GPS-enabled, testing facility for systems (e.g., drones, autonomous ground vehicles, etc.). Such a facility enables testing in a controlled environment that mitigates all safety concerns regarding non-participants and significantly improves testing capabilities during inclement weather. It also supports testing with GPS (as opposed to most facilities that block GPS), which is critical for many systems. Such a facility would enable testing of both ground and airborne systems. | 6,500,000 |

# UND Space Education and Research Infrastructure

ND Senate: Appropriations-Education and Environment Division
29 March 2023

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## National Security Initiative (NSI) Overview

**Grand Challenge**

- Strategic investment/opportunity areas

**Personnel**

- Strong, integrated team from across campus
- Assoc. Vice President for Research
- Adding Director and 8 faculty

**Core Capabilities**

- Space, Autonomy/Counterautonomy, Materials (inc. Micro/Nano), Quantum Tech., Rare Earth Elements

**Strategic Partnerships**

- Grand Forks Air Force Base, Grand Sky, Northern Plains UAS Test Site, Industry

**Serve those who serve**

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# NSI Focus Impacts

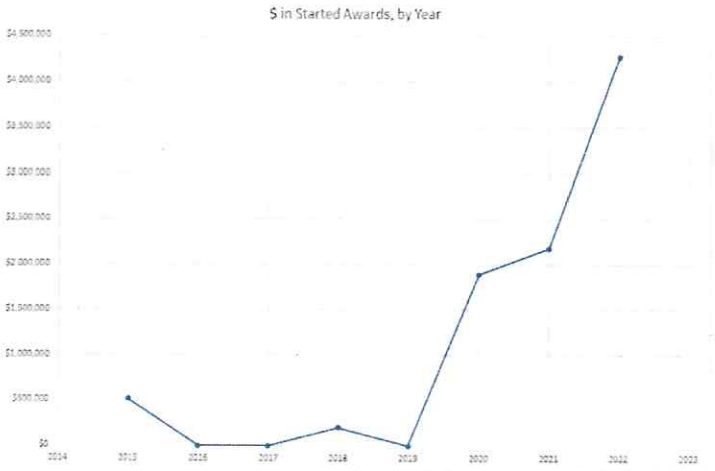
**$ in started awards for Dept. of Defense**

- Dept. Homeland Security and EERC efforts not in chart

**Impact of focus on NSI**

- Do not have estimates for Space Education and Research Infrastructure investment impact yet
- In progress

**Potential $50M-100M yr$^{-1}$**

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# Big Picture (Complementary Capabilities)

Digital Engineering:
Digital Engineering and Virtual Reality DREAM Laboratory

Advanced Materials:
*Nanofoundry*
Molecular Beam Epitaxy
3D Rocket Laboratory

Prototyping & Testing:
Autonomous System Environment Development and Test Facility & Controlled Environment Field-Testing Facility

Communications:
Laser/Optical Comms.

System Security:
Cybersecurity Research Infrastructure & Cyber Range

Tracking:
Satellite and Space Debris Tracking

Current & Potential Collaborations

Dept. of Defense
US Space Command
US Space Force
Space Dev. Agency
NRO
DARPA
AFRL/NRL/ARL
AFOSR
AFWERX
Grand Forks AFB
DHS
NASA
FAA
NPUASTS

Grand Sky
Northrop Grumman
General Atomics
Iridium
General Dynamics
Space-X
Airbus
Quantinuum

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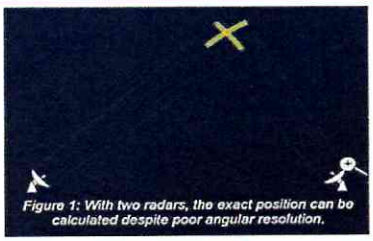
# Satellite and Space Debris Tracking

Space debris is a growing problem

**Placement of active RADAR on the roof of academic buildings allow us to detect and track debris**

Development of novel machine learning/deep learning models can identify small and distant objects



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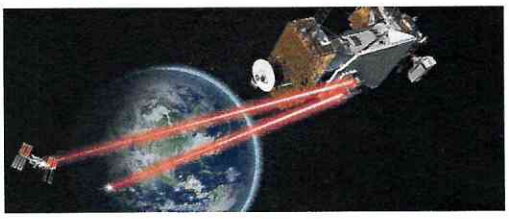
5

# High-Speed Laser for Optical Communications

**Consistent message from Space Force and other potential space research partners:**

- Need fast, reliable, secure communication with high transmission rates in space
- Laser (optical) communications
- Communication spacecraft-spacecraft; spacecraft-aircraft; spacecraft-ground



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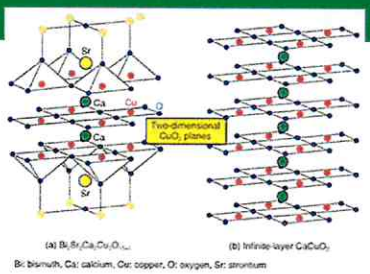
# Molecular Beam Epitaxy

Create complex 2D and 3D semiconducting devices on the nanoscale

**Ultrahigh vacuum allows fabrication of devices that are not possible by any other means**

According to the Defense Advanced Research Projects Agency, such devices are essential for next-generation advances in artificial intelligence, autonomous systems and robots, and networked sensing




(a) $Bi_2Sr_2Ca_2Cu_3O_{10+x}$ (b) Infinite-layer $CaCuO_2$

Bi: bismuth, Ca: calcium, Cu: copper, O: oxygen, Sr: strontium

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# Digital Engineering & Virtual Reality: DREAM Laboratory

The Partnership for **D**igital **R**ealism in **E**ngineering and the **A**pplied **M**etaverse (**DREAM**)

Partners: NVIDIA, Lenovo, Ohio Supercomputing Center

- NVIDIA/Lenovo OVX Double-Pod
- New/upgraded servers/cluster to support data processing
- Data Center power/cooling/infrastructure upgrade
- DGX Pod
- Upgraded display workstations, VR headsets, VR treadmills, motion capture

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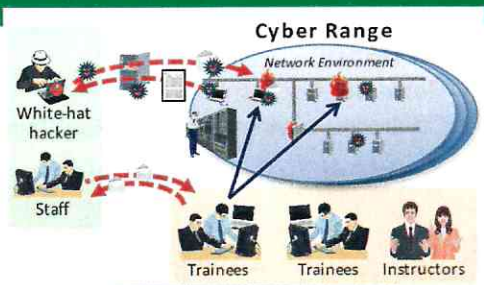
# Cyber Security Training & Research

**Cyber Range**

- Cloud-based resource to train cyber professionals to: Create and test different strategies, Master skills and techniques, Strengthen execution

**Cyber Research Infrastructure**

- Computational and stand-alone Network resources to develop novel and effective approaches to solve cyber security problems



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# 3D-Printed Rocket Components Lab

**Will allow us to design, fabricate, and/or test:**

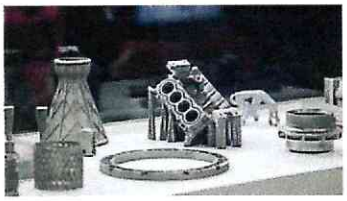
- Novel 3D-printed rocket engine designs, injectors and turbopumps
- Engine material coatings for improved heat transfer
- Lunar and Martian metals for 3D-printed motors
- High-temperature performance of nanodevices

**Will experiment with liquid and solid rocket boosters**

**Potential to partner with Grand Sky**

**Development of the Space Workforce**

**Currently 85 students in the UND Advanced Rocketry Club**



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# Autonomous System Environment Development & Test Facility

**Critical needs**

- Rapid development
- Controlled environmental testing (rain, fog, snow, etc.)

**Op. Context** ↔ **Simulation** ↔ **Laboratory** ↔ **Field Testing**

**Autonomous systems development factory**

**Integrated capability & controlled environment accelerate realization**

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# Controlled Environment Field-Testing Facility

- Inflatable Dome for Space Station/Lunar/Mars Habitat and UAS Testing
- **Allows Communication and GPS Reception**
- Year-Round Availability
- **Revenue Generating (Commercial UAS, Sports, Events)**

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# Progress with Previous Funding

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# Nanofoundry & Advanced UAV/Satellite Materials Lab

**Nanofoundry**

**Renovation of 1,000 sq. ft. facility with cleanroom is well under way**

**Will soon launch a search for a full-time technician (funded by UND)**

**We are working to foster collaborations with industry partners**

**Raith (E-Beam) is planning a story about our investment. In the context of the CHIPS act, they think that our story will inspire other institutions**

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# Advanced UAV & Satellite Material Lab

**$1 million in instruments have been ordered, including a thermogravimetric analyzer, gas chromatogram – mass spectrometer, electron microscope, particle size analyzer, etc.**

**Lab renovations are in the design phase**

**These instruments, along with several existing instruments, will be operated as a cost center and made available for use by industry partners**

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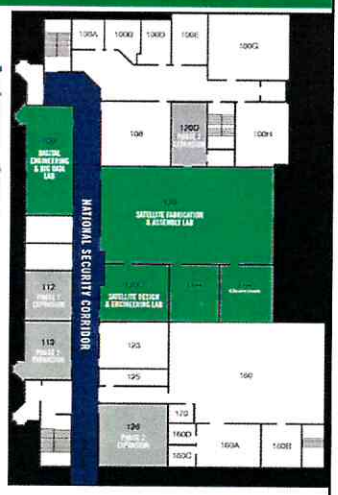
# National Security Corridor

**Harrington Hall (1st floor)**

- Satellite Subsystem Development Lab
- Cleanroom Assembly
- Satellite Assembly & Test
- Digital Engineering & Big Data Lab

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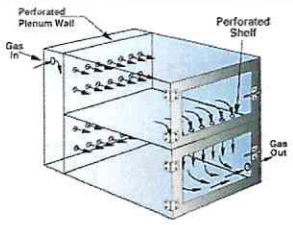
# Satellite Component Assembly & Cleanroom

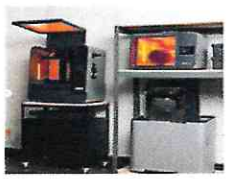
**Cleanroom**

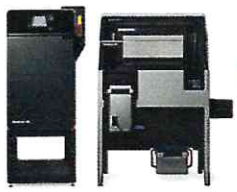
- HEPA air handling, Vestibule, Nitrogen purge cabinet

**Satellite Component Design**

- Component fabrication, PCB fabrication equipment, Precision 3D printers, Solder/rework stations







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# Final Satellite Assembly & Test

**Components**

Space Systems Fabrication, Assembly, & Testing

- Thermal/vacuum chamber
- Shaker table
- Laser cutter
- Water cutter
- Anechoic chamber
- Millimeter wave antenna chamber

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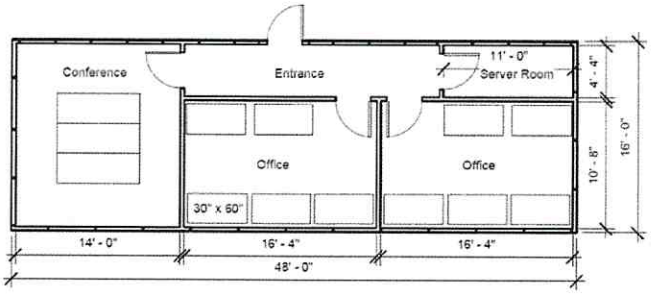
# Secure Compartmental Information Facility (SCIF)

**Secure rooms for classified discussions/research**

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# National Security Corridor Update

**Most equipment has been purchased/ready for installation**

- Some pieces of equipment are not yet delivered but expected late spring

**SCIF: Have an estimate. Expected to complete late summer**

**Renovation of Harrington Hall will begin late February. Expected to conclude late summer**

**Companies and government organizations are excited about the National Security Corridor and are ready to partner with us—examples include:**

- National Reconnaissance Office
- Northrop Grumman
- Packet Digital

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# Space Operations Update

**Space Operations Center/Classroom in Robin Hall** - 95%

**Satellite Communications and Tracking**

- Odegard Hall Roof
- Network connected

**Small Sat Build/Launch**

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# Expenditures Update

| | Estimated Cost | Expenses posted | Encumbrances | Committed | Total |
|---|---|---|---|---|---|
| | | | | | |
| Satellite Operation Center | 1,000,000 | 116,322 | 0 | 883,678 | 1,000,000 |
| Digital Engineering and Big Data | 300,000 | 168,070 | 557,675 | 52,238 | 777,983 |
| Satellite Design and Engineering Lab | 300,000 | 172,809 | 97,000 | 30,191 | 300,000 |
| Satellite Fabrication and Assembly Lab, including Clean Room | 2,400,000 | 120,871 | 2,508,684 | | 2,629,555 |
| Advanced UAV and Satellite Material Lab | 5,700,000 | 2,006,073 | 5,084,901 | 401,488 | 7,492,462 |
| Neutral Buoyancy Tank | 1,200,000 | | | | 0 |
| Sensitive Compartmented Information Facility (SCIF) | 1,500,000 | | | 600,000 | 600,000 |
| Satellite and Space Debris Tracking | 900,000 | | | | 0 |
| Laboratory Configuration | 1,200,000 | | | 1,200,000 | 1,200,000 |
| | | | | | |
| | *14,500,000 | 2,584,145 | 8,248,260 | 3,167,595 | 14,000,000 |

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# MINOT STATE UNIVERSITY: 2023-25 Budget Priorities

ND Senate Appropriations – Education & Environment division – March 23, 2023

| | | | |
|---|---|---|---|
| 2021-2023 General Fund Base Budget | $ | 41,206,630 | |
| Base Budget Request | | | |
| - Funding Formula increase | $ | 1,342,514 | |
| - Salary continuation adjustment | $ | 196,850 | |
| - Salary Increase | $ | 2,944,280 | |
| - Health Insurance Increase | $ | 1,536,519 | |
| - Behavioral Health Initiative | $ | 170,000 | |
| Total Base General Fund Request | $ | 6,190,163 | Per HB 1003 |
| 2023-2025 General Fund Base Budget | $ | 47,396,793 | |
| One-Time Capital Funding | | | |
| Dakota Hall Demolition | $ | 765,000 | (SIIF) Per HB 1003 |
| Academic Buildings Renovations | $ | 7,600,000 | (SIIF) Per HB 1003 |
| Hartnett Hall Renovation Inflation Adjustment | $ | 4,000,000 | (ARPA) |

- An appropriation of **$765,000 to fund the Dakota Hall demolition**. This 92-year old residence hall is well beyond its useful life; the space is not needed and has become an annual cost liability at MSU.
- **$7.6 million** (with an additional 5% match for a total of $8M) for **Academic Hall upgrades**. Funding for renovating/updating workforce-related academic spaces on campus including Cyber and Computer Science labs/classrooms in Model Hall; Nursing simulation and class spaces in Memorial Hall; Science class/lab areas in Cyril Moore Hall and the MSU Greenhouse; other classroom upgrades; in total, nearly 40,000 sq. feet in key workforce-related areas at MSU could be upgraded.
- An **inflation adjustment for the Hartnett Hall Renovation project** from additional ARPA funds. From the time the original project was estimated 2.5 years ago to current costs, we have had to reduce the project by **$4 million**. MSU would be grateful if those additional monies could be appropriated to realize the full vision of the Hartnett Hall renovation.
- **Special funds authority of $3.1 million** for a **Student Center 2nd Floor renovation** (paid entirely with Student Fees – already approved by the MSU Student Government and Student Body)
- **6% salary increases for 1st year of biennium**; attracting and retaining employees, especially in lower-wage positions and some specialties, is difficult; funding would help maintain/attract employees.
- The **targeted market equity compensation pool in SB 2015**. Wages for some positions are below market wages. Targeted funds will help retain/recruit for some positions MSU struggles to fill.
- **Inflation adjustment for non-compensation operating funds**. Costs for fixed expenses such as utilities and insurance continue to increase. Additional funding would help stabilize budgets in the absence of tuition increases that would otherwise help cover those increases.
- The **Challenge Grant**; HB1003 has **$3 million for MSU**. We have actively used these Challenge dollars in past biennia as leverage with donors that has been vital in helping MSU near completion of a $50 million capital campaign (primarily focused on scholarships and academics).
- Funding Formula 98% **minimum amount payable**.
- **Workforce innovation grants – HB1003 currently has $10 million**; very helpful in establishing new workforce-related degree programs, especially given the lag with the funding formula payment.
- **$170,000 behavioral health** for a new FTE to serve students with mental health issues.
- **Re-energize ND Scholarship: $5.1 million in SB2197** for maintaining employees in the oil/gas industry.

| North Dakota University System<br>Engrossed House Bill 1003 | | | |
|---|---|---|---|
| **Section** | **Description** | **Comments** | **Change Requested** |
| 1 & 2 | Appropriation & one-time funds | | See separate document |
| 8 | Provides $4.5 million one-time for support single mothers at public & tribal colleges, U Mary, & Jamestown. Up to $250,000 per entity.<br><br>Used toward costs of on-campus room & board and on-campus day care for children of eligible students.<br><br>Eligible students include 1. unmarried pregnant students having an unplanned pregnancy 2. Unmarried mothers who experienced an unintended birth while attending the institution 3. Unmarried mother with a child or children less than 4 years old<br><br>Requires interim report to legislative management | Violates Title IX. Court rulings have already held that schools are not permitted to enact rules related to parental status differently between men and women (mothers and fathers).<br><br>It likely would be found to violate the Equal Protection clause as well as the Pregnancy Discrimination Act because it treats people different based on their sex, ability to reproduce, and their intention to have a child.<br><br>Not all campuses have on-campus housing or daycare. Those students would not be able to receive this benefit. | Consider transfer of program/fund to DHHS if desired. |
| 9 | Transfers $367,000 from System Office operating line to NDSU | Eliminates any carryover that could be used for computer systems or other needs | SBHE opposes. Remove section. |
| 18 | Requires a higher education trend report to the Budget Section to include: enrollment, institution reserves, tuition rates, & student financial assistance. Report must include the NDUS' response to these trends to include: new or expanded programs, closed programs and future budget requests. | | Request change to reporting to Interim Higher Education Committee. |
| 19 | Requires presidential severance agreements be paid from the System Office budget, without providing an appropriation. Requires Emergency Commission & Budget Section approval for presidential severance agreements. | Conflicts with constitutional authority. Virtually eliminates SBHE ability to off-board a president. Could devastate the System Office budget | SBHE opposes. Remove section. |
| 20 | Requires SBHE approval/denial of new or expanded academic programs within 30 days of submission | Unnecessary. Most approved in same month submitted. Would prevent exploration of collaboration possibilities, program duplication and financial viability.<br><br>Conflicts with constitutional authority / responsibility. | SBHE opposes. Remove section.<br><br>(could provide report to Interim Higher Education Committee) |

| North Dakota University System | | | |
|---|---|---|---|
| **Engrossed House Bill 1003** | | | |
| **Section** | **Description** | **Comments** | **Change Requested** |
| 33 | Updates funding formula: restores minimum amounts payable at 96% | | Consider increase to 98% |
| 43 | Allows for carryover of unexpended federal fiscal recovery fund dollars for projects at UND, DSU, NDSU Research, NDSU, MiSU, UND SoMHS, Dakota Digital Academy | Projects are in various stages of completion | Request to add "Twamley Hall" as authorized project for UND's ARPA funds. |
| 44 | Freezes tuition rates for ND residents for AY2023-24 & AY2024-25. Provided $45.6 million general fund to cover lost tuition needed for the compensation package.<br><br>Allows 1% annual tuition increases for graduate programs and high-cost undergraduate programs with differentiated tuitions.<br><br>Tuition frees does not apply to non-resident tuition rates.<br><br>Rates through tuition reciprocity agreements or state education compacts are not impacted. | | Remove "and fees" from (1) & (2) |
| 46 | Emergency clause for increase in state needs-based grant awards (Sect. 35) | | Add Sections: 2, 4, 6, 13, 14, 16, 35, 41, 42, 43. |

# North Dakota University System

| Base Budget - Needs-Based | Engrossed HB1003 | Requested Adjustments to SBHE Appproved Budget Request |
|---|---|---|
| | General Fund | General Fund |
| **2021-23 Needs-Based Budget** | $ 686,328,526 | $0 |
| Cost to Continue Salaries | 3,033,698 | 0 |
| State Bond Payments | (2,187,368) | 0 |
| Funding Formula - SCH Production Changes | (9,275,245) | 0 |
| Funding Formula -98% Minimum Amount Payable (House at 96%) | 2,229,749 | 3,575,806 |
| Legislative Funding Formula Change (CTE/Dental Hyg) | 4,807,380 | 0 |
| **2023-25 Needs-Based Budget** | **$ 684,936,740** | **$3,575,806** |
| **Dollar Change from 2021-23** | **$ (1,391,786)** | |
| **Percentage Change from 2021-23** | **-0.2%** | |

| Investments (General Fund Optional Adjustment Requests) | Engrossed HB1003 | Requested Adjustments to SBHE Appproved Budget |
|---|---|---|
| **Systemwide Projects / Initiatives** | | |
| Workforce Education Innovation Grant Program - one-time | $ 10,000,000 | $0 |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - One-time | 3,640,624 | 0 |
| Veterans Program - base | 177,000 | 0 |
| 7.5% inflationary increase on Funding Formula - Base | 0 | 40,859,847 |
| Salary 6%/4% increase plus health insurance increase (House at 4%/4%) & Tuition portion of Salary and health insur. Increases - base | 81,243,225 | 0 |
| Systemwide Marketing Program - one-time | 0 | 900,000 |
| Dakota Digital Academy - one-time | 450,000 | 0 |
| Forest Service - Cooperative Fire Protection Initiative - One-time | 187,000 | 0 |
| Forest Service - Forest recreation enhancement - One-time | 200,000 | 0 |
| Native American Scholarship - base | 444,677 | 0 |
| Student support for single mothers - one-time | 4,500,000 | 0 |
| Northern Tier/High Performance Computing (NDSU/UND) - base | 6,402,200 | 0 |
| NDSU Workforce Development Funding - one-time | 4,800,000 | 0 |
| Challenge Grant - one-time | 36,000,000 | 0 |
| UND Space Initiative - one-time | 45,000,000 | 0 |
| Capital Building funds - one-time - SIIF | 29,000,000 | 0 |
| Capital Project Inflationary Increases - one-time | 20,100,000 | 0 |
| **NDUSO - Student Grants** | | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 | 0 |
| Dual Credit Scholarships - BND Profits | 1,500,000 | 0 |
| Tribal College Grants | 1,000,000 | 0 |
| Career Builders Scholarships/Loan forgiveness - BND Profits | 15,000,000 | 0 |
| State Financial Aid Grant -(Needs based) - Base | 12,000,000 | 0 |
| Financial Aid Systems - Licensing & Maintenance($1,784,354 implementation, adds 2 additional programs - One-time; $273,180 annual cost - Base) | 1,827,534 | 230,000 |
| Compliance & Internal Audit assessments to Institutions-Base | 0 | 561,000 |
| Financial Aid 0.5 FTE - Base | 125,000 | 0 |
| **NDUSO - System Security & Research** | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations Center - Base | 4,500,000 | 300,000 |
| Assistant Vice Chancellor - Research and Workforce - Base | 0 | 425,000 |
| Capitol Building Rent | 143,625 | 0 |
| **Investments (Optional Adjustment Requests)** | **$ 279,240,885** | **$ 43,275,847** |
| **Total NDUS Request(Excludes Capital Project Requests)** | **$ 964,177,625** | **$ 46,851,653** |
| **NDUS Capital Projects (4-year plan)** 3 | 343,260,100 | |
| **Total NDUS Request** | **$ 1,307,437,725** | **$ 46,851,653** |

NORTH DAKOTA UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

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# State-Funded Financial Aid & Workforce Development Programs
# Existing & New Legislation

Updated 3/20/2023
Prepared by: Brenda Zastoupil, NDUS

In compiling the list of state-funded student-based financial aid, workforce development, and education enhancing programs, the ND University System (NDUS) found 29 various programs administered by seven state agencies. The programs were divided into one of two categories, existing core student aid programs and workforce development programs. The review did not include programs funded through federal sources and only included known programs.

**Recommendation:**
Consider a study during the interim to evaluate the various programs that agencies administer that includes the following:

- What is the program's purpose?
- Are there other state or non-state-funded programs that serve a similar purpose?
- Who/what does the program assist?
- What are other states offering (if available)?
- What are the requirements to receive the award?
- What is the projected growth/needs?
- How many students are served by the program and amount?

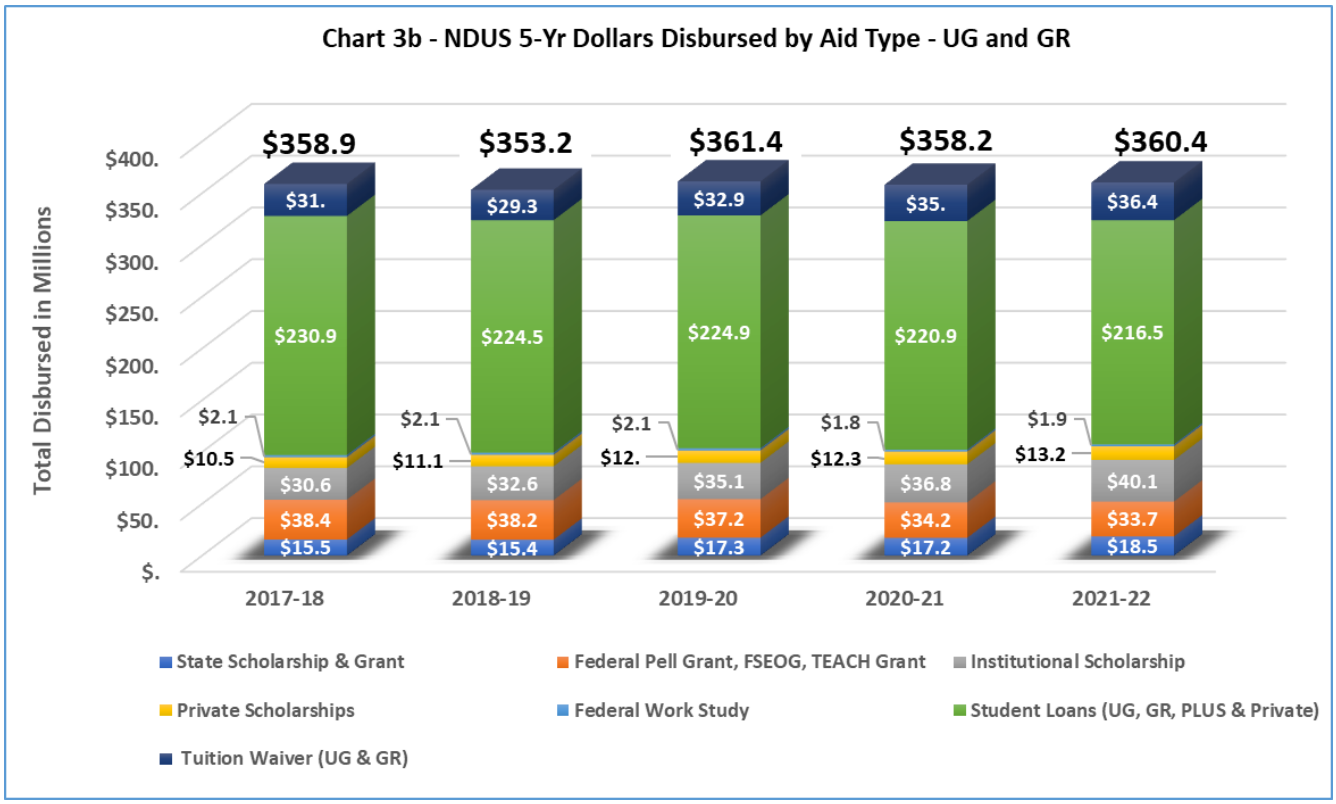
**New Program Proposals:**

- Maintain existing programs within the agencies currently administering the programs.
- NEW PROPOSED WORKFORCE PROGRAMS (noted in red on attached charts)
    - Review "Workforce Development Programs" pages 2-4 of the attached to determine consistencies or departures from legislative intent for state-funded workforce programs.
    - Determine how new legislation and/or funding increases fit Legislative intent.
    - Align/consolidate new programs into existing programs where appropriate.
    - Review the administering agency for new programs to determine best fit for legislative intent.
    - Consider how the new proposed bills align with intent.

Attachments: NDUS 5-YR Financial Aid Award Summary – All Aid Sources
Funding Summary Request
Supplemental Detail
ND Career Builders Statistics and In-Demand List

The five-year summary shows that NDUS students receive the following aid:

- 60% of the funding received by NDUS students is in the form of student loans;
- 12% is in the form of federal grants (Pell, FSEOG, TEACH);
- 12% comes from institutional scholarships;
- 4% from private-donated scholarships;
- 6% from state-funded scholarships and grants;
- The remaining is from Federal Work Study and tuition waivers.



| FUNDING SUMMARY (3/20/2023) | | | | |
|---|---|---|---|---|
| **Program Name/Administering Agency/Funding Source** | **2021-23 Base** | **New Funding Request** | **2023-25 Total Request** | **Comments** |
| **Student Financial Assistance Program (ND State Grant) – administered by NDUS**<br>**-General Fund** | $23,917,306 | $12,000,000 | $35,917,306 | HB1003<br>Need-based grant;<br>Average of 6,100 students per year; $12M increases award from $1,100/sem. to $1,650 while still funding 6,100 per year; Last increased in 2019 |
| **ND Scholars Program – administered by NDUS**<br>**-General Fund** | $1,807,115 | $0 | $1,807,115 | HB1003<br>Premier merit-based award;<br>Average of 30 new awards per year plus renewals; Full time UG tuition for up to 8 sem. with 3.5GPA for renewal |
| **Academic/CTE/ND Scholarships – administered by NDUS**<br>**-General Fund** | $16,216,749 | $1,000,000 | $17,216,749 | HB1003<br>Merit-based state scholarship;<br>Average of 5,230 per year paid; 22% of high school senior qualify; $1M increase to fund growth and additional awards for apprenticeships (HB1382); Awards may NOT be reduced if shortfall occurs. |
| **ND Indian Scholarship – administered by NDUS**<br>**-General Fund** | $555,323 | $444,677 | $1,000,000 | HB1003<br>Merit or need-based;<br>Average of 270 per year awarded;<br>$444.7K inc. will allow for awards to be closer to the statutory max. of $2K/year (2022 UG amt only $1,130 due to volume of applicants.) |
| **Dual Credit Tuition Scholarship – administered by NDUS**<br>**-Bank of ND Profits** | $1,500,000<br>(one-time funding) | $1,500,000 | $1,500,000 | HB1003<br>Created 2021-Addl. incentive for taking DC in high school; Provides scholarship in college;<br>$1.485M awarded to-date to 2,775 students;<br>HB1030 allows award for DC taken at non-NDUS institutions. |
| **Tribally Controlled Colleges Assistance Grant – administered by NDUS**<br>**-General Fund** | $1,000,000 | $1,000,000 | $2,000,000 | HB1003<br>Non-beneficiary supplemental grant;<br>Tribal presidents requested the $1M increase;<br>Awarded based on federal ISC payment rate * FTE non-beneficiary enrollment. Historically not able to award at this rate due to funding shortfall;<br>$1M increase would push these awards beyond the federal rate (i.e., In 21-22 the ISC rate was **$8,676**. Based on 82.7 FTE, at $1M, we would have paid out at a rate of **$12,091.90** per FTE. The ISC rate would have cost $717,505 but we would have issued $1M. NDUS is required to issue full appropriation each biennium, even if over the ISC rate. **See NDCC 15-70-04, subsection 3.** |
| **Professional Student Exchange Program (PSEP) – administered by NDUS**<br>**-General Fund** | $3,699,342 | $0 | $3,699,342 | HB1003<br>Secure admission to out-of-state institutions for professional programs of veterinary medicine, optometry, and dentistry;<br>Approximately 27 new plus ongoing students each year for up to 4 years. |
| **Education Incentive Programs – administered by NDUS**<br>**-General Fund** | $260,000 | $0 | $260,000 | HB1003<br>UND and NDSU each awarded $130K per biennium to promulgate additional doctoral level graduates and doctoral programs. |

| | | | | |
|---|---|---|---|---|
| **ND Career Builders Scholarship & Loan Repayment – administered by NDUS**<br>**-Bank of ND Profits** | $4,500,000 (continuing appropriation) | $15,000,000 | $18,504,590 (est. $3.6M in continuing appropriation remaining to award 6/30/23) | HB1003<br>Workforce development program; partnership with business; private-sector match required $1-$1; either a scholarship or loan rep., or both, up to a maximum of $17K per recipient.<br>202 scholarships awarded @ avg $7,754; 88 loan repayment @ avg $14,608.<br>92 unique scholarship donors; 30 unique loan repayment donors.<br>Est. $3.6M remaining @ end of 21-23 bien (continuing approp.)<br>Actual growth rate between 58% - 105% annually.<br>At 57% growth rate, $13.0M est. state $ bal. at the end of 25-27 biennium (assume $15M approp.)<br>At 93% growth rate, $8.4M est. state $ bal. at the end of 25-27 biennium (assume $15M approp.) |
| **Challenge Grant – administered by NDUS**<br>**-General Fund** | $11,150,000 (one-time funding) | $36,000,000 | $36,000,000 | HB1003<br>Approx. 3X current appropriation; moves Law School $250K to UND allocation; provides $4M each for SMHS and NDSU SBARE. |
| **SUBTOTAL (existing NDUS)** | **$64,605,835** | **$66,944,677** | **$117,700,512** | |
| **Reenergize Scholarship (*NEW Program -NDUS supported & administered)***<br>**-General Fund** | - | $5,125,000 (includes $125,000 for 1 FT position and marketing) | $5,125,000 | SB2197<br>HB1003<br>Scholarship to recruit and retain individuals into oil & gas industry. May be provided to employee or an immediate family member of a current employee. Requires 12 months. of employment within past 36 months. |
| **Nursing Matching Grants (*NEW Legislative Program – NDUS administered)***<br>**-General Fund** | - | $250,000 | $250,000 | SB2288<br>$1/$2 matching grant for accredited institutions in the state for the advancement of academics for nursing programs. |
| **Student Support for Single Mothers *(NEW Legislative Program – NDUS administered)***<br>**-General Fund** | - | $4,500,000 | 4,500,000 | HB1003<br>$250K to any public, tribal or U-Mary or U-JMS to provide support to students who are pregnant or single mothers. Funding may be used for on-campus room/board and the costs of on-campus day care. This must be accounted for as estimated financial aid under federal Title IV regulation. |
| **SUBTOTAL (NEW PROGRAMS ADMINISTERED BY NDUS)** | **-** | **$9,875,000** | **$9,875,000** | |
| **Back the Blue Grant *(NEW Program – AG administered)***<br>**-General Fund** | - | $5,000,000 | $5,000,00 | HB1307<br>Workforce retention and recruitment tool for law enforcement. |
| **Para-To-Professional *(NEW Program – DPI administered)***<br>**-General Fund** | - | $3,000,000 | $3,000,000 | SB2032<br>Assist accredited ND institutions with training paras to become qualified teachers. Proven program through use of ESSER funds, which will be expended 9/30/24. |
| **Teacher Shortage Loan Forgiveness *(NEW Program – DPI administered)***<br>**-General Fund** | - | $3,000,000 | $3,000,000 | SB2033<br>Student loan repayment for qualified high demand teaching positions.<br>Recommend naming is loan “repayment” as DPI cannot forgive student loans, but issues repayment for qualifying teachers. |
| **SUBTOTAL (NEW PROGRAMS ADMINISTERED BY OTHER AGENCIES)** | - | **$11,000,000** | **$11,000,000** | |
| **TOTAL** | **$64,605,835** | **$87,819,677** | **$138,575,512** | |

**State-Funded Student Financial Aid and Workforce Development Programs – Supplemental Additional Detail**
**Existing and Proposed Legislation (Includes only known state funded programs)**
Updated 3/20/2023

| Existing Core Student Financial Aid Programs | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Student Financial Assistance Grants (ND State Grant) (est. 1973)** | Needs-based | Max. $1100/sem. or $733/quarter<br># Approx. 6,100/yr. | **NDUS** | 1003 | $23,917,306 | $12,000,000 (general fund) | Increase provides for an increase to the award amount from $1,100/sem. to $1,650/sem. and maintains the current level of award of approximately 6,100 per year. |
| **Academic/CTE/ND Scholarships (est. 2009)** | Merit-based | $750/sem. or $500/qtr. or clock hour<br># Approx 5,230/yr. | **NDUS** | 1003<br>1030<br>1305<br>1382 | $16,216,749 | $1,000,000 (general fund) | Increase of $1M covers anticipated shortfall and provides for the scholarship to be used for apprenticeship programs (HB1382).<br>Amendments in HB1030 and HB1305 are procedural. |
| **ND Indian Scholarship (est. 1963)** | Merit or Need-based | Max of $2,000 per year<br># Approx 270/yr. | **NDUS** | 1003<br>1030 | $555,323 | $444,677 (general fund) | Included in Governor's budget, this increase will bring the per student award to the maximum level of $2,000 per year.<br>Amendments in HB1030 are procedural. |
| **Tribally Controlled Colleges Assistance Grant** | Award to tribal colleges for non-beneficiary enrollment – may be used for various expenses | Based on FTE non-beneficiary enrollment; awarded to the 5 tribal institutions in the state | **NDUS** | 1003 | $1,000,000 | $1,000,000 (general fund) | Tribal institutions requested an increase of $1M. |
| **ND Scholars (est. 1989)** | Premier Merit-based | Full regular UGRD tuition for up to 8 sem./12 qtrs.<br>#Approx 30 new/yr. plus on-going | **NDUS** | 1003<br>1030 | $1,807,115 | $0 | Continue at same level provides for approximately 30 new awards per year plus renewals.<br>Amendments in HB1030 are procedural. |
| **Dual Credit Tuition Scholarship (est. 2021)** | For post-secondary enrollment; Incentive to take DC in high school | Max $750 lifetime<br>#2725 as of 2.3.2023 | **NDUS** | 1003<br>1030 | One-time funding in 21-23 biennium of $1.5M | $1,500,000 (BND) | $1.5M one-time funding in 21-23 biennium to be fully utilized.<br>Amendments in HB1030 are procedural. |
| **Dual Credit Assistance Program** | Offered to high school students; Covers the cost for up to 2 DC courses per year for high school SO, JR, SR who participate in free or reduced lunch | Covers the cost for up to 2 DC courses per year for high school SO, JR, SR who participate in free or reduced lunch | **BND** | - | - | - | Funded and administered by BND. |
| **Challenge Grants** | Matching grants for institutions | Varies | **NDUS** | 1003<br>1033 | $11,150,000 | $36,000,000 (general fund) | Approximately three times current appropriation-Moves Law School $250,000 to UND allocation; Provides $4M each for SMHS and NDSU SBARE. |
| **Education Incentive Programs** | Promulgate graduate studies and programs in the state | $130,000 each per biennium to UND and NDSU | **NDUS** | 1003 | $260,000 | $0 | Continue at same level to encourage graduate programs and research in the state. |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Skilled Workforce SCHOLARSHIP aka ND Career Builders (est. 2019) NDCC 15-10-32.2** | Private-sector matching program; student agrees to live/work in the state for 3 yrs. following completion of program | Maximum lifetime $17,000, includes private sector match;<br><br># awarded = 199<br>$committed=$1.55M<br>Avg award = $7,785 | **NDUS** | YES - $1/$1 | Reside in ND 3 years following program completion | YES – 3 years in an in-demand occupation | Programs @ 2 yr. or below, including certificates relating to Job Service defined in-demand occupations | 1003<br>1030 | $2.25 million; Funded by BND w/continuing appropriation; Est. $3.3M remaining at the end of the 21-23 biennium | $7.5M Scholarship and $7.5M Loan Repayment for a total of $15,000,000 (BND funded) | Increase provides for growth of the program over the next 2 biennium. Procedural edits providing for the last 2 years of bachelor's program (scholarship) and an expansion of matching funds to public dollars, is anticipated to grow NDCB. HB1030 amendments are procedural. |
| **Skilled Workforce LOAN REPAYMENT aka ND Career Builders (est. 2019) NDCC 15-10-32.1** | Private-sector matching program; new hire w/in 24 mos. receives student loan repayment over a 3-yr period | Maximum lifetime $17,000, includes private sector match;<br><br># awarded = 86<br>$committed=$1.3M<br>Avg award = $15,115 | **NDUS** | YES - $1/$1 | Reside in ND from time of application | YES – 3 years in an in-demand occupation | Any degree if employed in a Job Service defined in-demand occupation | 1003<br>1030 | $2.25 million; Funded by BND w/continuing appropriation; Est. $3.3M remaining at the end of the 21-23 biennium | | |
| **Professional Student Exchange Program (PSEP)** | Vet Med/Dentistry/ Optometry Scholarships for out-of-state attendance | Varies between $58,733 - $141,120 (4-yr cost) depending on program;<br># of NEW awards per Year:<br>Vet Med = 12<br>Optometry = 8<br>Dentistry = 7 | **NDUS** | NO | ND residency est. at least 1 yr. PRIOR to the priority appl. date of 10/15 | NO | Veterinary medicine, dentistry, optometry | 1003 | 3,699,342 | $0 | Continue at same level. |
| **Reenergize ND Scholarship (NEW)** | Tool to recruit/retain workers in oil & gas industry | $12,000 per individual up to $24,000 per family | **NDUS** | NO | ND resident – generally 12 months | NO | Any program of study at a NDUS institution | 1003<br>2197 | - | $5,125,000 + *$125,000 for 1 FT position and marketing.* | New program. |
| **Nursing Matching Grants (NEW)** | 1-2 matching program to institutions for advancement of nursing programs | Varies with a min. match of $25,000 | **NDUS** | YES - $1/$2 | NO – awarded to qualifying ND institutions | n/a – awarded to qualifying ND institutions | Nursing programs at accredited institutions in the state | 2288 | - | $250,000 | New program. |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Student Support for Single Mothers Program – pilot** | Support for pregnant or single mothers with a children under 4 yrs. of age | On-campus room/board and the costs of on-campus daycare | **NDUS** | NO | Applicant must be residing in the state | NO | Open | 1003 | - | $4,500,000 | New program. |
| **Public Health Loan Repayment** | Student loan repayment for health care professionals | Varies | **DHHS** | | | | | 2344 | Unknown | $48,000 | Increase funds 5 slots for public health professionals. |
| **Veterinarian Loan Repayment** | Student Loan Repayment | Up to $80,000 over 4 years. | **DHHS** | | | | | ? | Unknown | Unknown | - |
| **Dental Loan Repayment** | Student Loan Repayment | Up to $100,000 over 5 years. | **DHHS** | | | | | ? | Unknown | Unknown | - |
| **RN Loan Repayment** | Registered nurses student loan repayment | Up to $4,000 per year for 5 years | **DHHS** | | | | | ? | Unknown | Unknown | - |
| **Back The Blue Grant (NEW)** | WF retention & recruitment tool for law enforcement | Varies | **Attorney General's Office** | NO | NO – issued to law enforcement agency for bonuses, tuition/fee payments, equipment costs | NO | Law enforcement | 1307 | - | $5,000,000 | New program. |
| **Tribal Colleges Grants** | WF training and entrepreneurial assistance | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Technical Skills Training Grant** | Supports training of non-degree reskilling programs and expanding capacity of existing programs | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Regional Workforce Impact Program (RWIP)** | Grant to design & implement innovative plans to address workforce challenges | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Operation Intern** | Expand number of internships, work experience and apprenticeship positions | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Non-Resident Nursing Employment Recruitment Program** | Attract and retain highly qualifies nurses to ND | | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| **Para-To-Professional Scholarship (NEW)** | Assist accredited institutions with training paras to become qualified teachers | $20,000 to institution for start-up/admin costs; remainder for student scholarships | **DPI** | NO – awarded to qualifying ND institutions (no requirement to have a physical presence in state) | NO – awarded to accredited institutions (no requirement to have a physical presence in state) | NO | Teaching | 2032 | - | $3,000,000 | New funding that is a continuation of an existing program previously funded with ESSER dollars. |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| **Teacher Shortage Loan FORGIVENESS (NEW)** | Encourage teaching at grade levels, content areas and geographical locals that have a teacher shortage or critical need | Between $2,500/$3,750/$5,000 per year depending on location and critical need or shortage area; up to 4 years | **DPI** | NO | NO | YES – must be working in a qualifying locale or position in ND | Qualifying teaching positions in ND | 2033 | - | $3,000,000 | New program that amends and reenact 15.1-02-04.<br><br>Recommend changing the program name to Loan **REPAYMENT** as DPI can't technically forgive a student loan but can offer repayment on a loan. |
| **NDNG Tuition Grants** | Grants for postsecondary enrollment; includes out-of-state postsecondary education institutions – used as a recruitment/retention tool for the NDNG | Varies | **Adjunct General** | | | | | 2094 | - | $1,615,000 (fiscal note) | Expansion of program. |

**2023 FAILED BILLS**

SB2127 – Psychiatric RN Loan Repayment Program
SB2270 – Student Teacher Experience Program
HB1470 – Back to College Grant
SB2151 – Immigration WF Loan Program
HB1032 – In-demand Certificates (CDL and CNA)
SB2287 – Expansion of DHHS health care professional student loan repayment
HB1421 – Workforce training grants for New Americans

ND career builders
Scholarship & Loan Repayment

| Program Statistics 2/23/2023 | SCHOLARSHIP | LOAN REPAYMENT |
|---|---|---|
| # Applicants Awarded & Active | 85 | 86 |
| # Graduated (Scholarship) | 117 | - |
| # Lost Eligibility (Loan Repayment) | - | 5 |
| # Paid in Full (Loan Repayment) | - | 2 |
| # Scholarship Applicants in Repayment (# & $) | 23 in repayment totaling $89,324; $33,900 recovered to date | - |
| Private Sector $ Received by NDUS (NOT Matched to Students) | $15,000 | $0 |
| Committed $ - Private Sector & State Match (Excl. those in scholarship repayment) | $1,566,280 | $1,358,551 |
| Average Award (Excl. those in scholarship repayment) | $7,754 | $14,608 |
| # Unique Donors | 92 | 30 |
| **Programs Enrolled (Scholarship)** (Exclude those in scholarship repayment) **-OR- High-Need Occupation Filled (Loan Repayment)** (Exclude those who lost eligibility) | Agriculture or Ag & Technology (Agronomy) (12)<br>Architectural Drafting & Estimating Technology (1)<br>Associate Degree Nurse (1)<br>Auto Body Repair & Refinishing Technology (2)<br>Automotive Technology (5)<br>Building Construction Technology (1)<br>Carpentry Residential (3)<br>Caterpillar Dealer Service (14)<br>CDL (4)<br>Construction Management Technology (1)<br>Culinary Arts (1)<br>Cyber Security & Computer Networks (3)<br>Dental Assisting (1)<br>Diesel Technology (13)<br>Early Childhood Education (1)<br>Electrical Technology (14)<br>EMS-Paramedic EMT Technology (1)<br>Energy Services and Renewable Technician (1)<br>Farm & Ranch Mgmt. / Agribusiness Mgmt. (5)<br>Full Stack Engineering (5)<br>Human Resource & Organizational Leadership (1)<br>Heating, Ventilation & AC/HVAC/R Tech (16)<br>Instrumentation and Control Technology (10)<br>John Deere Ag Tech (5)<br>Land Surveying & Civil Engineering Technology (4)<br>Lineworker (Electrical) (15)<br>Massage Therapy (1)<br>Meat Processing (2)<br>Mechanical Maintenance Technology (6)<br>Medical Billing & Coding (1)<br>Medical Assistant (1)<br>Medical Laboratory Technician (2)<br>Peace Officer (1)<br>Pharmacy Technician (3)<br>Plumbing (2)<br>Power Plant Technology (2)<br>Powersports Technology (1)<br>Practical Nurse/Nursing (9)<br>Precision Machining Technology (1)<br>Process Plant Technology/Process Technology (6)<br>Surgical Technology (3)<br>Web Page Development & Design (1)<br>Welding / Welding Technology (20) | Accountant & Auditor (1)<br>Aircraft Mechanic & Service Technician (1)<br>Bus & Truck Mechanic (1)<br>Cardiovascular Technologist/Technician (2)<br>Career & Tech Ed Teachers (2)<br>Carpenter (1)<br>Childcare Worker (2)<br>Civil Engineer (1)<br>Construction Manager (1)<br>Dental Assistant (1)<br>Diagnostic Medical Sonographer (3)<br>Diesel Technician (1)<br>Electrician (1)<br>Farm Equipment Mechanic & Service Tech (3)<br>Industrial Machinery Mechanic (2)<br>Licensed Practical Nurse (1)<br>Marketing Manager (2)<br>Mechanical Engineer (2)<br>Middle School Teachers (3)<br>Mobile Heavy Equipment Mechanic (6)<br>MRI Technologist (1)<br>Pharmacy Technician (1)<br>Police/Patrol Officer (1)<br>Preschool Teacher (1)<br>Radiologic Technologist (17)<br>Registered Nurse (24)<br>Respiratory Therapist (2)<br>Sales Engineer (1)<br>Secondary School Teacher (1)<br>Teaching Assistant (1)<br>Veterinary Technologist & Technician (1) |

| ND Career Builders Private-Sector Contributors (Donors with funds remitted and/or committed to NDCB) | | | |
|---|---|---|---|
| Aasheim Enterprises, Inc. | Scholarship | Toasted Frog | Scholarship |
| American Bank Center | Scholarship | True North Equipment | Scholarship |
| Apex Well Servicing (USA) | Scholarship | TrueNorth Steel | Scholarship |
| Arthur and Edith Pearson Foundation | Scholarship | Underwood School | Scholarship |
| BisMan Autoworx | Scholarship | Walsh County Job Development | Scholarship |
| Blake Marine | Scholarship | Wild Rice Auto Parts | Scholarship |
| Bosch Lumber Company | Scholarship | Wold Engineering | Scholarship |
| Brosz Engineering, Inc. | Scholarship | YES LLC, ENETK LLC | Scholarship |
| Butler Machinery Company | Scholarship | 20 Private-Sector Donors - No Release | Scholarship |
| Carrington Economic Development | Scholarship | | |
| Cavalier Do It Best Lumber | Scholarship | Altru Health System | Loan Repayment |
| CHS Foundation | Scholarship | Cavalier County Health District | Loan Repayment |
| Churchill Pharmacy Holding, Inc. | Scholarship | City of Grafton | Loan Repayment |
| Clark Equipment Company dba Doosan | Scholarship | Executive Air Taxi Corporation | Loan Repayment |
| Comstock Construction, Inc. | Scholarship | Forward Devils Lake Development Corp. | Loan Repayment |
| Cottingham Insurance | Scholarship | General Equipment & Supplies, Inc. | Loan Repayment |
| Crossroads Repair LLC | Scholarship | Golden Valley Veterinary Clinic | Loan Repayment |
| D & B Motors | Scholarship | Grafton True Value & Lumber | Loan Repayment |
| Dakota Community Bank & Trust | Scholarship | Heart of America Medical Center | Loan Repayment |
| Dakota Pharmacy | Scholarship | Houston Engineering, Inc. | Loan Repayment |
| Dakota Refrigeration | Scholarship | Langdon Community Drug | Loan Repayment |
| Dale Pahlke | Scholarship | Leading Edge Equipment | Loan Repayment |
| DMG Inc., dba Malloy Electric | Scholarship | Legacy CPA | Loan Repayment |
| First Care Health Center | Scholarship | Magnum Electric | Loan Repayment |
| Fisher Industries | Scholarship | Mowbray & Son Plumbing and Heating, | Loan Repayment |
| FM Heating and Air, LLC | Scholarship | Nelson County Health System | Loan Repayment |
| Forward Devils Lake Development | Scholarship | Nelson International dba Nelson Leasing, | Loan Repayment |
| General Equipment & Supplies | Scholarship | North Valley CTE Technology Center | Loan Repayment |
| Great River Energy | Scholarship | Pro Mark Services, Inc. | Loan Repayment |
| Grotberg Electric, Inc. | Scholarship | Rugby Job Development Authority | Loan Repayment |
| Gusiaas Electric, LLC | Scholarship | Sanford Health – Bismarck | Loan Repayment |
| H.A. Thompson & Sons | Scholarship | Sanford Health – Fargo | Loan Repayment |
| Heat Transfer Warehouse | Scholarship | Sanford Medical Center – Fargo | Loan Repayment |
| Home Heating, Plumbing & AC, Inc. | Scholarship | Stantec Consulting Services, Inc. | Loan Repayment |
| ICON Architectural Group | Scholarship | True North Equipment | Loan Repayment |
| Johnston & Sons Electric | Scholarship | Walsh County Job Development | Loan Repayment |
| Karen Oster-Lloyd Ritchie Memorial | Scholarship | 4 Private-Sector Donors – No Release | Loan Repayment |
| Keller Paving & Landscaping, Inc. | Scholarship | | |
| Korber Medipak Systems NA | Scholarship | | |
| Kountry Kids 4H | Scholarship | | |
| Lake Chevrolet Buick GMC | Scholarship | | |
| Leading Edge Equipment | Scholarship | | |
| LG Homes | Scholarship | | |
| Marathon Petroleum | Scholarship | | |
| Marketplace Motors | Scholarship | | |
| MDU Resources | Scholarship | | |
| Microsoft | Scholarship | | |
| Modern Auto Body | Scholarship | | |
| ND Association of County Engineers | Scholarship | | |
| ND Beef Commission | Scholarship | | |
| ND State Electrical Board | Scholarship | | |
| Nelson County Health System | Scholarship | | |
| NODAK Electric | Scholarship | | |
| North Country Marine | Scholarship | | |
| Otter Tail Power Company Foundation | Scholarship | | |
| Porter Farms | Scholarship | | |
| Sanford Health – Bismarck | Scholarship | | |
| Sanford Health – Jamestown | Scholarship | | |
| Schmitty's Plumbing, Heating & | Scholarship | | |
| Scott's Electric | Scholarship | | |
| Service Tire, Inc. | Scholarship | | |
| Shakti Moon Healing, Wellness, Beauty | Scholarship | | |
| Sheyenne Mechanical | Scholarship | | |
| Titan Machinery | Scholarship | | |

# ND career builders

Scholarship & Loan Repayment

**ND Career Builders - High-Need & Emerging Occupations**

The High-Need and Emerging Occupations list is used to determine eligibility for the ND Career Builders Scholarship and Loan Repayment programs. The list is reviewed annually by the ND Workforce Development Council (NDWDC) and Job Service ND (JSND). The occupations listed below were approved by NDWDC and JSND in 2020 through 2022. The occupations approved in these years will be used in determining eligibility for ND Career Builders. Occupations designated with a red asterisk (*) will remain eligible for ND Career Builders consideration at least through June 30, 2023. Questions regarding the program? Contact the NDUS at 701-328-2906 or at ndfinaid@ndus.edu.

**EDUCATION**

- Career/Tech Ed Teachers, Secondary School (2022)
- Elementary School Teachers (2022)
- Health Specialties Teachers, Postsecondary (2022)
- Instructional Coordinators (2022)
- Kindergarten Teachers, Except Special Education (2022)
- Librarians & Media Collections Specialists (2022)
- Middle School Teachers, Except Special & Career/Tech Ed (2022)
- Preschool Teachers, Except Special Education (2022)
- Secondary School Teachers (2022)
- Special Education Teachers (KG, Elementary, Secondary School) (2022)
- Teaching Assistants, Except Postsecondary (2022)

**ENGINEERING & ARCHITECTURE**

- Civil Engineer (2022)
- Civil Engineering Technologists & Technicians (2022)
- Electrical Engineers (2022)
- Mechanical Engineers (2022)
- * Electrical & Electronic Engineering Technician (2020)
- * Mining & Geological Engineer (2020)
- * Petroleum Engineer (2020)
- * Transportation Engineer (2020)

**FINANCIAL**

- Accountant & Auditor (2022)
- Bookkeeping, Accounting & Auditing Clerks (2022)
- Financial Manager (2022)
- Management Analysts (2022)
- Operations Research Analysts (2022)
- Statisticians (2022)
- Tax Preparers (2022)
- * Compensation & Benefits Manager (2020)
- * Financial Analyst (2020)
- * Personal Financial Advisors (2020)

**HEALTHCARE**

- Athletic Trainers (2022)
- Cardiovascular Technologist & Technician (2022)
- Clinical Laboratory Technologists & Technicians (2022)
- Dental Assistants (2022)
- Dental Hygienists (2022)
- Diagnostic Medical Sonographer (2022)
- Dietitians and Nutritionists (2022)
- Emergency Medical Technicians & Paramedics (2022)
- Massage Therapists (2022)
- Medical Assistants (2022)
- Nuclear Medicine Technologists (2022)
- Nurse-Licensed Practical & Licensed Vocational Nurses (2022)
- Nurse-Registered Nurses (2022)
- Nursing Assistants (2022)
- Occupational Therapists (2022)
- Occupational Therapy Assistants (2022)
- Ophthalmic Medical Technicians (2022)
- Pharmacy Technicians (2022)
- Phlebotomists (2022)
- Physical Therapy Assistants (2022)
- Psychiatric Aides (2022)
- Radiologic Technologists & Technicians (2022)
- Respiratory Therapists (2022)
- Skincare Specialists (2022)
- Surgical Technologists (2022)
- Veterinary Technologists & Technicians (2022)
- * Medical Lab Technologist/Technician (2020)
- * MRI Technologist (2020)

**INFORMATION TECHNOLOGY**

- Computer & Information Systems Managers (2022)
- Computer Network Support Specialists (2022)
- Computer Programmers (2022)
- Computer Systems Analysts (2022)
- Computer User Support Specialists (2022)
- Information Security Analysts (2022)
- Intelligence Analysts (2022)
- Software Developers and Software Quality Assurance Analysts and Testers (2022)
- Telecommunications Equipment Installers & Repairers, Except Line Installers (2022)
- Web Developers & Digital Interface Designers (2022)
- * Actuaries (2020)
- * Clinical Data Manager (2020)
- * Database Administrators (2020)

**MANAGEMENT**

- Construction Manager (2022)
- General & Operations Manager (2022)
- Industrial Production Manager (2022)
- Medical & Health Services Manager (2022)
- Sales Manager (2022)
- * Marketing Manager (2020)

**PROFESSIONAL / OTHER**

- Compliance Officer (2022)
- Human Resources Manager (2022)
- Human Resources Specialist (2022)
- Market Research Analysts and Marketing Specialist (2022)
- Paralegal and Legal Assistant (2022)
- Public Relations Specialist (2022)
- Training & Development Specialist (2022)
- * Soil and Plant Scientist (2020)

**SALES**

- Securities, Commodities & Financial Services Sales Agents (2022)
- Sales Rep.-Wholesale & Manufacturing of Technical & Scientific Products (2022)
- * Sales Engineer (2020)

**SKILLED TRADE**

- Automotive Service Technicians & Mechanics (2022)
- Butchers & Meatcutters (2022)
- Carpenters (2022)
- Chefs & Head Cooks (2022)
- Crane & Tower Operators (2022)
- Diesel Technician:
  - Bus & Truck Mechanic and Diesel Engine Specialist (2022)
  - Farm Equipment Mechanic & Service Technician (2022)
  - Industrial Machinery Mechanic (2022)
- Electrician (2022)
- Firefighter (2022)
- Hairdresser, Hairstylist & Cosmetologis (2022)
- Heating, Air Conditioning & Refrigeration Mechanics, and Installers (HVAC) (2022)
- Machinist (2022)
- Plumber, Pipefitter and Steamfitter (2022)
- Power Plant Operator (2022)
- Precision Agriculture Technician (2022)
- Welder, Cutter, Solderer & Brazer (2022)
- Wind Turbine Service Technician (2022
- * Aircraft Mechanic & Service Technician (2020)
- * Bus & Truck Mechanic (2020)
- * Construction Building Inspector (2020)
- * Electrical Powerline Installer & Repairer (2020)
- * Environmental Scientist & Specialist (2020)
- * Gas Plant Operator (2020)
- * Maintenance & Repair Worker (2020)
- * Mobile Heavy Equipment Mechanic (2020)
- * Petroleum Pump System Operator, Refinery Operator & Gauger (2020)

**SOCIAL SERVICES**

- Child, Family & School Social Worker (2022)
- Childcare Worker (2022)
- Community & Social Service Specialist (2022)
- Educational, Guidance & Career Counselors & Advisors (2022)
- Healthcare Social Workers (2022)
- Marriage & Family Therapists (2022)
- Mental Health & Substance Abuse Social Worker (2022)
- Police & Sheriff Patrol Officers (2022)
- Social & Community Service Manager (2022)
- Social & Human Service Assistant (2022
- Substance Abuse, Behavioral Disorder & Mental Health Counselor (2022)

**TRANSPORTATION**

- Commercial Pilots (2022)
- Heavy & Tractor-Trailer Truck Drivers (2022)

Updated 8.23.202

# North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | House Version | | | | Senate Version | | | | Senate Changes to House Version | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Increase (Decrease) - House Version | | | |
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 |
| Salary increase | | 1,439,734 | 542,026 | 1,981,760 | | 1,940,770 | 723,804 | 2,664,574 | | 501,036 | 181,778 | 682,814 |
| Health insurance increase | | 507,907 | 247,974 | 755,881 | | 496,486 | 242,398 | 738,884 | | (11,421) | (5,576) | (16,997) |
| Adds funding for financial aid staff | | 125,000 | | 125,000 | | 125,000 | | 125,000 | | | | 0 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 | | | | 0 |
| Removes funding for the dual-credit tuition scholarship | | | | 0 | | | | 0 | | | | 0 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 | | | | 0 |
| Adds funding for tribal college grants to provide a total of $2 million | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | 12,000,000 | | 12,000,000 | | 12,000,000 | | 12,000,000 | | | | 0 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 | | | | 0 |
| Adds funding for software costs and a security operations center | | 4,500,000 | | 4,500,000 | | 4,500,000 | | 4,500,000 | | | | 0 |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 | | | | 0 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) | | | | 0 |
| Adds funding to limit tuition increases | | 939,310 | | 939,310 | | 939,310 | | 939,310 | | | | 0 |
| Total ongoing funding changes | 4.00 | $20,574,833 | $872,198 | $21,447,031 | 4.00 | $21,064,448 | $1,048,400 | $22,112,848 | 0.00 | $489,615 | $176,202 | $665,817 |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding for the higher education challenge grant program | | $36,000,000 | | $36,000,000 | | $36,000,000 | | $36,000,000 | | | | $0 |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,554,354 | | 1,554,354 | | | | 0 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 | | | | 0 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | | 0 | | | | 0 | | | | 0 |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 | | | | 0 |
| Adds funding for support of single parents | | 4,500,000 | | 4,500,000 | | 4,500,000 | | 4,500,000 | | | | 0 |
| Adds funding for passthrough grants | | 20,100,000 | | 20,100,000 | | 20,100,000 | | 20,100,000 | | | | 0 |
| Total one-time funding changes | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $0 | $0 | $0 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Changes to Base Level Funding** | 4.00 | $93,179,187 | $872,198 | $94,051,385 | 4.00 | $93,668,802 | $1,048,400 | $94,717,202 | 0.00 | $489,615 | $176,202 | $665,817 |
| **2023-25 Total Funding** | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 | 162.83 | $210,567,278 | $26,805,435 | $237,372,713 | 0.00 | $489,615 | $176,202 | $665,817 |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *17.6%* | *3.4%* | *15.0%* | *2.5%* | *18.0%* | *4.1%* | *15.5%* | | | | |
| *Total changes as a percentage of base level* | *2.5%* | *79.7%* | *3.4%* | *65.9%* | *2.5%* | *80.1%* | *4.1%* | *66.4%* | | | | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Additional funds appropriation authority | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| MaSU Old Main renovation | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. | |
| Extraordinary repairs matching funds | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1. | |
| Strategic investment and improvements fund | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. | |
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| Severance agreement transfer | Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval. | |
| Dual-credit tuition scholarships | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. | |
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| Capital building fund program | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. | |

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| Higher education trends - Report | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. |
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| Higher education challenge grants | Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. | |
| Workforce Development Council | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. |
| Capital project requests - Matching funds | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. |
| Higher education funding formula | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. | |
| Student financial assistance grants | Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure. | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Digitization of Theodore Roosevelt documents | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. | |
| Carryover authority | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Transfer authority | Section 39 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 assets. | Section 39 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 assets. |
| FTE positions | Section 40 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. | Section 40 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. |
| Capital building fund - Matching funds exemption | Section 41 provides an exemption to allow LRSC to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. | |
| Capital projects carryover | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects. | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects, including UND's Twamley Hall. |
| Tuition rate increase limitation | Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year. | |
| Dental hygienist credits | Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. | Section 45 provides legislative intent that dental hygienist and dental assistant program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. |

**North Dakota University System**
**HB1003 Sections 9 & 19 Request**
**3/31/2023**

The SBHE voted on 2/23/2023 to support **HB1003,** except for two areas. The SBHE **opposes Sections 9 & 19** because they hamper both the SBHE's constitutional responsibilities for institutional administration as well as the operations of the SBHE System Office. **The SBHE requests the Senate remove these sections.**

The sections require Emergency Commission and Budget Section approval before the SBHE could provide a severance package to a college or university president. Additionally, the severance package costs must be paid from the System Office operating budget. As written the sections:

1. Virtually eliminate the SBHE's ability to negotiate the exit of a president in the rare case a contract is non-renewed or otherwise ended. Quarterly meetings of the Emergency Commission & Budget Section would not necessarily align with the non-renewal timelines. The Governor, Commission members and legislators would be intricately involved in the termination process. Presidential contract negotiations would be conducted in public meetings rather than in executive session and then broadcast across the State during Budget Section meetings.
2. Require any future severance agreements be paid from the System Office budget but do not provide an appropriation. The SBHE would be forced to take dollars from the operating budget, which is nearly 80% salaries & wages, and potentially be forced to cut staff to off-board a president. This would hamper the Office's ability to fulfill statutory and board-directed duties.

While the SBHE prefers Sections 9 & 19 be removed entirely, if the Legislature determines the System Office should pay off-boarding costs, an appropriation is needed to cover severance costs and potential legal expenses. We request amendments as shown on the following page. The amendments would:

- Remove Emergency Commission & Budget Section approval in Section 19
- Define what costs are considered part of a severance agreement
- Add a $750,000 appropriation line in the System Office budget for executive severance agreements
- Add session law to clearly explain when & how the new appropriation line can be used
- Remove Section 9

# North Dakota University System
# 2023-2025 Capital Project Request Recommendations

## 2023-25 Institution Capital Project Requests
## Recommended for Inclusion in Budget Request
## Revised 1/13/2023

| Institution | Institution Priority | SBHE Priority | Project Title | Project Total | Funding Source | | Project Type | % DM/LS | % PED | % Local $ | Amount DM/LS $ |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | General Funds | Other Funds | | | | | |
| DCB | 1 | 1 | Old Main/Center for Rural Health Education | 4,300,000 | 4,300,000 | | Major renovation to existing facility. | 100% | | 0.00% | 1,375,000 |
| LRSC | 1 | 1 | Wind Turbine Gearbox Replacement | 600,000 | 600,000 | | Equipment repair. | 100% | | 0.00% | 600,000 |
| MaSU | 1 | 1 | Old Main Renovation | 49,970,100 | 49,970,100 | | Major renovation to existing facility. | 100% | | 0.00% | 49,970,100 |
| MiSU | 1 | 1 | Dakota Residence Hall Demolition | 765,000 | 765,000 | | Removal of facility | 100% | | 0.00% | 765,000 |
| DSU | 1 | 2 | Agriculture & Technical Education Building | 12,500,000 | 9,100,000 | 3,400,000 | Major renovation to existing facility. | 90% | 10% | | 11,250,000 |
| NDSU | 1 | 3 | Engineering Building | 111,600,000 | 83,700,000 | 27,900,000 | New construction with major renovation to existing facility | 85% | 15% | | 94,860,000 |
| VCSU | 1 | 4 | McCarthy Hall Renovation | 13,439,000 | 11,439,000 | 2,000,000 | Major renovation to existing facility. | 60% | 40% | | 8,063,400 |
| UND | 1 | 5 | Science, Engineering, & National Security Corridor Planning & Demolition | 14,500,000 | 11,600,000 | 2,900,000 | Renovation, removal, and planning | 51% | 49% | | 7,395,000 |
| BSC | 1 | 6 | Multipurpose Academic/Athletic Performance Center | 31,500,000 | 25,000,000 | 6,500,000 | New construction with demolition of existing facility. | 30% | 70% | | 9,450,000 |
| NDSCS | 1 | 7 | Agriculture, Automation & Autonomous Systems | 19,970,374 | 17,973,337 | 1,997,037 | Major renovation to existing facilities and new construction. | 25% | 75% | | 4,542,851 |
| WSC | 1 | 8 | Medical Healthcare Building | 36,600,000 | 26,600,000 | 10,000,000 | New Construction | | | 100% | - |
| | | | **State General Fund Projects** | **295,744,474** | **241,047,437** | **54,697,037** | | | | | **188,271,351** |

**BSC No. 1 – MULTI-PURPOSE ACADEMIC/ATHLETIC PERFORMANCE CENTER $25,000,000 GENERAL FUND APPROPRIATIONS AND $6,500,000 OTHER FUNDS**

The purpose of this capital request is to address Title IX compliance, health and safety concerns for the environmental air exchange system, accreditation, compliance, and regulatory size of the athletic/intermural space as well as ADA access for BSC students', staff, and community. This Multi-purpose capital project which addresses the operational compliance issues outlined above would be a new 80,000 sq. foot academic/intermural/athletic facility to advance BSC's polytechnic programming and applied research mission while at the same time addressing current Title IX compliance factors and environmental operational life/health/safety issues. The estimated cost of this facility is approximately $31,500,000 and includes resolution of the current operational Title IX compliance, health and safety environmental issue, academic programming and instructional delivery space, and competition infrastructure for a regulation complainant multi-purpose athletic space.

| | Funding Formula Proposed Adjustments | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Column 1 | Column 2 | Column 3 | Column 4 | Column 5 | Column 6 | Column 7 | Column 8 |
| INSTITUTION | Engrossed HB1003 Funding Formula includes 96% MAP, CTE & Dental Hygiene Adjustments | Percent of 2021-23 Biennium Base Funding after 96% Statutory Limit | Increase/ (Decrease) Dental Assistant Credits to CTE from Health Sciences | Funding Formula includes 96% MAP, CTE, Dental Hygiene and Assistant adjustments (Column 1 + Column 3) | Percent of 2021-23 Base Funding | Additional Funds for 98% Minimum Amount Payable | Institution Increase/ (Decrease) at 98% MAP w/CTE & Dental adjustments (Column 1 + Column 3 + Column 6) | Percent of 2021-23 Biennium Base Funding after 98% Minimum Amount Payable |
| BSC | $ 463,668 | 1.4% | $ - | $ 463,668 | 1.4% | $ - | $ 463,668 | 1.4% |
| DCB | 428,768 | 4.5% | - | 428,768 | 4.5% | - | 428,768 | 4.5% |
| LRSC | (569,686) | -4.0% | - | (569,686) | -4.0% | 284,843 | (284,843) | -2.0% |
| NDSCS | (1,236,632) | -3.5% | 231,286 | (1,005,347) | -2.8% | 291,051 | (714,296) | -2.0% |
| WSC | 460,100 | 4.1% | - | 460,100 | 4.1% | - | 460,100 | 4.1% |
| DSU | 998,877 | 4.9% | - | 998,877 | 4.9% | - | 998,877 | 4.9% |
| MASU | 685,147 | 3.7% | - | 685,147 | 3.7% | - | 685,147 | 3.7% |
| MISU | 1,342,514 | 3.3% | - | 1,342,514 | 3.3% | - | 1,342,514 | 3.3% |
| VCSU ** | 480,872 | 2.0% | - | 480,872 | 2.0% | - | 480,872 | 2.0% |
| NDSU | (5,537,253) | -4.0% | - | (5,537,253) | -4.0% | 2,768,627 | (2,768,627) | -2.0% |
| UND | (1,616,332) | -1.1% | - | (1,616,332) | -1.1% | - | (1,616,332) | -1.1% |
| UND SMHS | 1,861,841 | 3.2% | - | 1,861,841 | 3.2% | - | 1,861,841 | 3.2% |
| TOTALS | $ (2,238,115) | | $ 231,286 | $ (2,006,830) | | $ 3,344,521 | $ 1,337,691 | |

(98% Max Reduction $1,000,000

## North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | House Version | | | | Senate Version | | | | Senate Changes to House Version | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Increase (Decrease) - House Version | | | |
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 |
| Salary increase | | 1,439,734 | 542,026 | 1,981,760 | | 1,940,770 | 723,804 | 2,664,574 | | 501,036 | 181,778 | 682,814 |
| Health insurance increase | | 507,907 | 247,974 | 755,881 | | 496,486 | 242,398 | 738,884 | | (11,421) | (5,576) | (16,997) |
| Adds funding for financial aid staff | | 125,000 | | 125,000 | | 125,000 | | 125,000 | | | | 0 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 | | | | 0 |
| Removes funding for the dual-credit tuition scholarship | | | | 0 | | | | 0 | | | | 0 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 | | | | 0 |
| Adds funding for tribal college grants to provide a total of $2 million | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | 12,000,000 | | 12,000,000 | | 12,000,000 | | 12,000,000 | | | | 0 |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 | | | | 0 |
| Adds funding for software costs and a security operations center | | 4,500,000 | | 4,500,000 | | 4,500,000 | | 4,500,000 | | | | 0 |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 | | | | 0 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) | | | | 0 |
| Adds funding to limit tuition increases | | 939,310 | | 939,310 | | 939,310 | | 939,310 | | | | 0 |
| Total ongoing funding changes | 4.00 | $20,574,833 | $872,198 | $21,447,031 | 4.00 | $21,064,448 | $1,048,400 | $22,112,848 | 0.00 | $489,615 | $176,202 | $665,817 |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding for the higher education challenge grant program | | $36,000,000 | | $36,000,000 | | $36,000,000 | | $36,000,000 | | | | $0 |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,554,354 | | 1,554,354 | | | | 0 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 | | | | 0 |
| Adds funding from the legacy earnings fund for energy workforce education scholarships | | | | 0 | | | | 0 | | | | 0 |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 | | | | 0 |
| Adds funding for support of single parents | | 4,500,000 | | 4,500,000 | | 0 | | 0 | | (4,500,000) | | (4,500,000) |
| Adds funding for passthrough grants | | 20,100,000 | | 20,100,000 | | 20,100,000 | | 20,100,000 | | | | 0 |
| Total one-time funding changes | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $68,104,354 | $0 | $68,104,354 | 0.00 | ($4,500,000) | $0 | ($4,500,000) |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Changes to Base Level Funding** | 4.00 | $93,179,187 | $872,198 | $94,051,385 | 4.00 | $89,168,802 | $1,048,400 | $90,217,202 | 0.00 | ($4,010,385) | $176,202 | ($3,834,183) |
| **2023-25 Total Funding** | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 | 162.83 | $206,067,278 | $26,805,435 | $232,872,713 | 0.00 | ($4,010,385) | $176,202 | ($3,834,183) |
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| *Total changes as a percentage of base level* | *2.5%* | *79.7%* | *3.4%* | *65.9%* | *2.5%* | *76.3%* | *4.1%* | *63.2%* | | | | |

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| Higher education funding formula | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula.<br>Section 32 - To be determined<br>Section 33 - To be determined |
| Student financial assistance grants | Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program. Section 46 declares Section 35 to be an emergency measure. | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Digitization of Theodore Roosevelt documents | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. |
| Carryover authority | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. |
| Transfer authority | Section 39 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 assets. | Section 39 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 assets. |
| FTE positions | Section 40 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. | Section 40 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. |
| Capital building fund - Matching funds exemption | Section 41 provides an exemption to allow LRSC to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. | |
| Capital projects carryover | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects. | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects, including UND's Twamley Hall. |
| Tuition rate increase limitation | Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year. | The Senate removed references to fees in the section. |
| Dental hygienist credits | Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. | Section 45 provides legislative intent that dental hygienist and dental assistant program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. |

23.0232.02003
Title.

Prepared by the Legislative Council staff for
Senator Wanzek
March 20, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 6, after the third comma insert "subdivision a of subsection 1 of section 15-10-49,"

Page 2, replace line 26 with:

| | | | |
|---|---|---|---|
| "Education challenge fund | 0 | 38,000,000 | 38,000,000" |

Page 3, replace lines 1 through 3 with:

| | | | |
|---|---|---|---|
| "Total all funds | $142,655,511 | $96,051,385 | $238,706,896 |
| Less estimated income | 25,757,035 | 872,198 | 26,629,233 |
| Total general fund | $116,898,476 | $95,179,187 | $212,077,663" |

Page 7, remove line 31

Page 8, replace lines 1 and 2 with:

| | | | |
|---|---|---|---|
| "Grand total general fund | $686,328,526 | $234,349,099 | $920,677,625 |
| Grand total special funds | 1,926,770,039 | 546,804,929 | 2,473,574,968 |
| Grand total all funds | $2,613,098,565 | $781,154,028 | $3,394,252,593" |

Page 8, replace line 28 with:

| | | | |
|---|---|---|---|
| "Higher education challenge grants | | 11,150,000 | 38,000,000" |

Page 9, replace lines 4 through 6 with:

| | | | |
|---|---|---|---|
| "Total all funds | | $207,876,121 | $591,698,917 |
| Total other funds | | 190,851,121 | 463,653,939 |
| Total general fund | | $17,025,000 | $128,044,978" |

Page 22, after line 10, insert:

"**SECTION 27. AMENDMENT.** Subdivision a of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of:

(1) Bismarck state college, Dakota college at Bottineau, Dickinson state university, Lake Region state college, Mayville state university, Minot state university, North Dakota state college of science, Valley City state university, and Williston state college for projects dedicated exclusively to the advancement of academics; and

(2) University of Jamestown and university of Mary for projects dedicated exclusively to student scholarships."

Page 22, line 20, after the first comma insert "university of Jamestown,"

Page 22, line 20, after the second comma insert "university of Mary,"

Page 22, line 25, after "in" insert "paragraph 1 of subdivision a of"

Page 30, line 3, replace "35" with "36"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT**

This amendment adds $2 million from the general fund for the higher education challenge grant program and expands program eligibility to include the University of Jamestown and the University of Mary.

# North Dakota University System Institutions
## House Bill No. 1003
## Base Level Funding Changes

| | House Version | | | | Senate Version | | | | Senate Changes to House Version | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Increase (Decrease) - House Version | | | |
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 6,347.16 | $564,637,572 | $1,890,343,689 | $2,454,981,261 | 6,347.16 | $564,637,572 | $1,890,343,689 | $2,454,981,261 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll adjustments, including cost to continue 2021-23 biennium salary increases | 66.92 | $2,791,083 | $6,792,579 | $9,583,662 | 66.92 | $2,791,083 | $6,792,579 | $9,583,662 | | | | $0 |
| Salary increase, including tuition freeze | | 56,188,818 | 43,734,586 | 99,923,404 | | 62,859,852 | 58,773,575 | 121,633,427 | | 6,671,034 | 15,038,989 | 21,710,023 |
| Health insurance increase, including tuition freeze | | 21,802,260 | 23,277,233 | 45,079,493 | | 21,589,517 | 22,753,804 | 44,343,321 | | (212,743) | (523,429) | (736,172) |
| Student credit-hour completion adjustment | | (9,275,245) | | (9,275,245) | | (9,275,245) | | (9,275,245) | | | | 0 |
| Minimum amount payable allocation | | 2,229,750 | | 2,229,750 | | 2,229,750 | | 2,229,750 | | | | 0 |
| Formula adjustment | | 4,807,379 | | 4,807,379 | | 5,038,664 | | 5,038,664 | | 231,285 | | 231,285 |
| Special funds adjustment | | | 4,500 | 4,500 | | | 4,500 | 4,500 | | | | 0 |
| Research networks | | 6,402,200 | | 6,402,200 | | 6,402,200 | | 6,402,200 | | | | 0 |
| Total ongoing funding changes | 66.92 | $84,946,245 | $73,808,898 | $158,755,143 | 66.92 | $91,635,821 | $88,324,458 | $179,960,279 | 0.00 | $6,689,576 | $14,515,560 | $21,205,136 |
| **One-Time Funding Items** | | | | | | | | | | | | |
| LRSC wind turbine replacement | | | $600,000 | $600,000 | | | $600,000 | $600,000 | | | | $0 |
| BSC multipurpose academic and athletics center | | | 31,500,000 | 31,500,000 | | | 31,500,000 | 31,500,000 | | | | 0 |
| WSC medical health care building | | | 36,600,000 | 36,600,000 | | | 36,600,000 | 36,600,000 | | | | 0 |
| WSC turf project | | | 7,313,939 | 7,313,939 | | | 7,313,939 | 7,313,939 | | | | 0 |
| UND EERC facility | | | 33,000,000 | 33,000,000 | | | 33,000,000 | 33,000,000 | | | | 0 |
| UND science, engineering, and national security corridor | | | 82,000,000 | 82,000,000 | | | 82,000,000 | 82,000,000 | | | | 0 |
| UND STEM building | | | 75,000,000 | 75,000,000 | | | 75,000,000 | 75,000,000 | | | | 0 |
| UND national security initiative | | $45,000,000 | | 45,000,000 | | 9,000,000 | | 9,000,000 | | (36,000,000) | | (36,000,000) |
| NDSU music building | | | 20,000,000 | 20,000,000 | | | 20,000,000 | 20,000,000 | | | | 0 |
| NDSU Sudro Hall expansion | | | 3,000,000 | 3,000,000 | | | 3,000,000 | 3,000,000 | | | | 0 |
| NDSU center for engineering and computational sciences | | | 84,000,000 | 84,000,000 | | | 84,000,000 | 84,000,000 | | | | 0 |
| NDSU workforce education | | 4,800,000 | | 4,800,000 | | 0 | | 0 | | (4,800,000) | | (4,800,000) |
| NDSCS agriculture, automation, and autonomous systems building | | | 19,975,000 | 19,975,000 | | | 19,975,000 | 19,975,000 | | | | 0 |
| DSU agriculture and technical education building | | | 18,000,000 | 18,000,000 | | | 18,000,000 | 18,000,000 | | | | 0 |
| MaSU Old Main renovation | | | 49,970,100 | 49,970,100 | | | 49,970,100 | 49,970,100 | | | | 0 |
| MiSU Dakota Hall demolition | | | 765,000 | 765,000 | | | 765,000 | 765,000 | | | | 0 |
| MiSU academic building | | | 8,000,000 | 8,000,000 | | | 8,000,000 | 8,000,000 | | | | 0 |
| MiSU student center renovation | | | 3,100,000 | 3,100,000 | | | 3,100,000 | 3,100,000 | | | | 0 |
| VCSU Osmon Field House addition | | | 20,000,000 | 20,000,000 | | | 20,000,000 | 20,000,000 | | | | 0 |
| VCSU Student Center renovation | | | 2,000,000 | 2,000,000 | | | 2,000,000 | 2,000,000 | | | | 0 |
| VCSU McCarthy Hall | | | 13,500,000 | 13,500,000 | | | 13,500,000 | 13,500,000 | | | | 0 |
| DCB Old Main renovation | | | 5,300,000 | 5,300,000 | | | 5,300,000 | 5,300,000 | | | | 0 |
| Behavioral health initiative | | 3,640,624 | | 3,640,624 | | 3,640,624 | | 3,640,624 | | | | 0 |
| $1 million budget reduction limit | | | | 0 | | 5,158,932 | | 5,158,932 | | 5,158,932 | | 5,158,932 |
| DSU project inflation | | | | 0 | | | 2,600,000 | 2,600,000 | | | 2,600,000 | 2,600,000 |
| Total one-time funding changes | 0.00 | $53,440,624 | $513,624,039 | $567,064,663 | 0.00 | $17,799,556 | $516,224,039 | $534,023,595 | 0.00 | ($35,641,068) | $2,600,000 | ($33,041,068) |
| **Total Changes to Base Level Funding** | 66.92 | $138,386,869 | $587,432,937 | $725,819,806 | 66.92 | $109,435,377 | $604,548,497 | $713,983,874 | 0.00 | ($28,951,492) | $17,115,560 | ($11,835,932) |
| **2023-25 Total Funding** | 6,414.08 | $703,024,441 | $2,477,776,626 | $3,180,801,067 | 6,414.08 | $674,072,949 | $2,494,892,186 | $3,168,965,135 | 0.00 | ($28,951,492) | $17,115,560 | ($11,835,932) |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |
| *Total ongoing changes as a percentage of base level* | *1.1%* | *15.0%* | *3.9%* | *6.5%* | *1.1%* | *16.2%* | *4.7%* | *7.3%* | | | | |
| *Total changes as a percentage of base level* | *1.1%* | *24.5%* | *31.1%* | *29.6%* | *1.1%* | *19.4%* | *32.0%* | *29.1%* | | | | |

# North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | House Version | | | | Senate Version | | | | Senate Changes to House Version | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Increase (Decrease) - House Version | | | |
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | **4.00** | **$211,768** | **$82,198** | **$293,966** | | | | $0 |
| Salary increase | | 1,439,734 | 542,026 | 1,981,760 | | **1,940,770** | **723,804** | **2,664,574** | | 501,036 | 181,778 | 682,814 |
| Health insurance increase | | 507,907 | 247,974 | 755,881 | | **496,486** | **242,398** | **738,884** | | (11,421) | (5,576) | (16,997) |
| Adds funding for financial aid staff | | 125,000 | | 125,000 | | 125,000 | | 125,000 | | | | 0 |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | **1,000,000** | | **1,000,000** | | | | 0 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | **444,677** | | **444,677** | | | | 0 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 | | | | 0 |
| Adds funding for tribal college grants to provide a total of $2 million | | 1,000,000 | | 1,000,000 | | **400,000** | | **400,000** | | (600,000) | | (600,000) |
| Adds funding for student financial assistance grants to provide a total of $35.9 million | | 12,000,000 | | 12,000,000 | | **6,000,000** | | **6,000,000** | | (6,000,000) | | (6,000,000) |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | **273,180** | | **273,180** | | | | 0 |
| Adds funding for software costs and a security operations center | | 4,500,000 | | 4,500,000 | | **3,000,000** | | **3,000,000** | | (1,500,000) | | (1,500,000) |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | **143,625** | | **143,625** | | | | 0 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | **(2,187,368)** | | **(2,187,368)** | | | | 0 |
| Adds funding to limit tuition increases | | 939,310 | | 939,310 | | **939,310** | | **939,310** | | | | 0 |
| Total ongoing funding changes | 4.00 | $20,574,833 | $872,198 | $21,447,031 | 4.00 | $12,964,448 | $1,048,400 | $14,012,848 | 0.00 | ($7,610,385) | $176,202 | ($7,434,183) |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding for the higher education challenge grant program | | $36,000,000 | | $36,000,000 | | $20,000,000 | | $20,000,000 | | ($16,000,000) | | ($16,000,000) |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | **1,554,354** | | **1,554,354** | | | | 0 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | **450,000** | | **450,000** | | | | 0 |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | **10,000,000** | | **10,000,000** | | | | 0 |
| Adds funding for support of single parents | | 4,500,000 | | 4,500,000 | | 0 | | 0 | | (4,500,000) | | (4,500,000) |
| Adds funding for passthrough grants | | 20,100,000 | | 20,100,000 | | 10,000,000 | | 10,000,000 | | (10,100,000) | | (10,100,000) |
| Total one-time funding changes | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $42,004,354 | $0 | $42,004,354 | 0.00 | ($30,600,000) | $0 | ($30,600,000) |
| **Total Changes to Base Level Funding** | 4.00 | $93,179,187 | $872,198 | $94,051,385 | 4.00 | $54,968,802 | $1,048,400 | $56,017,202 | 0.00 | ($38,210,385) | $176,202 | ($38,034,183) |
| **2023-25 Total Funding** | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 | 162.83 | $171,867,278 | $26,805,435 | $198,672,713 | 0.00 | ($38,210,385) | $176,202 | ($38,034,183) |
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | | | | *$0* | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Total ongoing changes as a percentage of base level* | *2.5%* | *17.6%* | *3.4%* | *15.0%* | *2.5%* | *11.1%* | *4.1%* | *9.8%* |
| *Total changes as a percentage of base level* | *2.5%* | *79.7%* | *3.4%* | *65.9%* | *2.5%* | *47.0%* | *4.1%* | *39.3%* |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Additional funds appropriation authority | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. |
| MaSU Old Main renovation | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. | |
| Extraordinary repairs matching funds | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1. | |
| Strategic investment and improvements fund | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. | |
| NDSU workforce education | Section 7 identifies $4.8 million appropriated from the general fund to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs. | Replace with a section providing funding to limit formula reductions to $1 million per institution. |
| Support for single parents | Section 8 identifies $4.5 million appropriated from the general fund to the University System office is for support for single mothers. | The Senate removed this section. |
| Severance agreement transfer | Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval. | Section 9 - To be determined<br>Section 19 provides for future severance agreements to be paid from the University System office budget. |
| Dual-credit tuition scholarships | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. |
| Career builders | Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program. | Sections 11 and 12 provide for transfers totaling $6.8 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program. |
| Capital building fund program | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. | |
| Capital projects requests - Restriction | Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. | |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Project management oversight | Section 16 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. | Section 16 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. |
| UND School of Medicine and Health Sciences funding | Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | The Senate removed this section. |
| Higher education trends - Report | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. | Section 18 provides for the Chancellor of the University System to provide an annual report to the Legislative Management regarding higher education trends. |
| Academic program approval | Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days. | The Senate removed this section. |
| Disclosure of financial condition | Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. | Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. |
| Campus policies and procedures | Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance. | Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance. |
| Higher education challenge grants | Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. | |
| Workforce Development Council | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. |
| Capital project requests - Matching funds | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. |
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| Digitization of Theodore Roosevelt documents | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
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NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

| | 2023-25 Biennium NDUS System Office Positions Funded by Institutions | | |
|---|---|---|---|
| Institution | Compliance Officer | Internal Audit Department | Total |
| BSC | $ 24,413 | $ 15,441 | $ 39,854 |
| DCB | $ 6,189 | $ 3,915 | $ 10,104 |
| DSU | $ 11,691 | $ 7,394 | $ 19,085 |
| LRSC | $ 8,252 | $ 5,220 | $ 13,472 |
| MaSU | $ 8,252 | $ 5,220 | $ 13,472 |
| MiSU | $ 23,037 | $ 14,571 | $ 37,608 |
| NDSCS | $ 20,974 | $ 13,267 | $ 34,241 |
| NDSU | $ 111,405 | $ 70,465 | $ 181,870 |
| UND | $ 111,405 | $ 70,465 | $ 181,870 |
| VCSU | $ 11,347 | $ 7,177 | $ 18,524 |
| WSC | $ 6,877 | $ 4,350 | $ 11,227 |
| Total | **$ 343,842** | **$ 217,485** | $ 561,327 |

23.0232.02006
Title.

Fiscal No. 2

Prepared by the Legislative Council staff for
Senate Appropriations - Education and
Environment Division Committee
April 7, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, replace "five" with "a new section to chapter 6-09, three"

Page 1, line 2, after "15-10" insert ", section 15-10-48.2,"

Page 1, line 3, after "to" insert "an economic diversification research fund, matching grants for agricultural research and extension,"

Page 1, line 4, remove "funding of severance agreements, academic program approval,"

Page 1, line 19, replace "pilot program" with "legislative management study"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 3,266,239 | 11,871,809 |
| Core technology services | 62,962,817 | 6,881,654 | 69,844,471 |
| Student financial assistance grants | 23,917,306 | 6,000,000 | 29,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 400,000 | 1,400,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 20,000,000 | 20,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |

| | | | |
|---|---|---|---|
| Severance agreements | 0 | 300,000 | 300,000 |
| Total all funds | $142,655,511 | $46,732,202 | $189,387,713 |
| Less estimated income | 25,757,035 | 487,073 | 26,244,108 |
| Total general fund | $116,898,476 | $46,245,129 | $163,143,605 |
| Full-time equivalent positions | 158.83 | 5.00 | 163.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $7,699,688 | $108,271,075 |
| Capital assets | 1,922,561 | 12,400,000 | 14,322,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $20,303,688 | $122,797,636 |
| Less estimated income | 70,409,893 | 10,869,688 | 81,279,581 |
| Total general fund | $32,084,055 | $9,434,000 | $41,518,055 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $2,263,509 | $41,414,422 |
| Capital assets | 362,667 | 1,000,000 | 1,362,667 |
| Minimum amount payable adjustment | 0 | 569,686 | 569,686 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $3,942,195 | $43,455,775 |
| Less estimated income | 25,271,428 | 2,257,339 | 27,528,767 |
| Total general fund | $14,242,152 | $1,684,856 | $15,927,008 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,929,048 | $36,973,352 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $47,012,127 | $82,318,399 |
| Less estimated income | 24,019,535 | 45,011,392 | 69,030,927 |
| Total general fund | $11,286,737 | $2,000,735 | $13,287,472 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|

| | | | |
|---|---|---|---|
| Operations | $902,173,330 | $60,080,851 | $962,254,181 |
| Capital assets | 4,411,566 | 127,500,000 | 131,911,566 |
| Minimum amount payable adjustment | 0 | 616,332 | 616,332 |
| National security initiative | 0 | 9,000,000 | 9,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $201,058,283 | $1,107,643,179 |
| Less estimated income | 755,657,771 | 156,803,837 | 912,461,608 |
| Total general fund | $150,927,125 | $44,254,446 | $195,181,571 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $46,573,844 | $802,623,165 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Minimum amount payable adjustment | 0 | 4,537,253 | 4,537,253 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $162,412,197 | $926,260,622 |
| Less estimated income | 625,417,100 | 135,106,551 | 760,523,651 |
| Total general fund | $138,431,325 | $27,305,646 | $165,736,971 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $5,686,699 | $101,234,164 |
| Capital assets | 1,012,379 | 0 | 1,012,379 |
| Minimum amount payable adjustment | 0 | 1,005,347 | 1,005,347 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $6,878,796 | $103,438,640 |
| Less estimated income | 60,845,052 | 2,639,567 | 63,484,619 |
| Total general fund | $35,714,792 | $4,239,229 | $39,954,021 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $5,244,442 | $56,070,502 |
| Capital assets | 409,078 | 20,600,000 | 21,009,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |
| Total all funds | $51,235,138 | $26,171,442 | $77,406,580 |
| Less estimated income | 30,992,408 | 20,685,562 | 51,677,970 |

| | | | |
|---|---|---|---|
| Total general fund | $20,242,730 | $5,485,880 | $25,728,610 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $5,068,561 | $55,671,837 |
| Capital assets | 358,992 | 49,970,100 | 50,329,092 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $55,347,395 | $106,309,663 |
| Less estimated income | 32,282,440 | 52,019,679 | 84,302,119 |
| Total general fund | $18,679,828 | $3,327,716 | $22,007,544 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $10,794,119 | $114,948,896 |
| Capital assets | 1,099,620 | 7,865,000 | 8,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $18,829,119 | $124,083,516 |
| Less estimated income | 64,047,767 | 10,588,652 | 74,636,419 |
| Total general fund | $41,206,630 | $8,240,467 | $49,447,097 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $5,135,290 | $55,218,690 |
| Capital assets | 455,823 | 22,000,000 | 22,455,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $27,371,290 | $77,910,513 |
| Less estimated income | 26,377,846 | 23,684,575 | 50,062,421 |
| Total general fund | $24,161,377 | $3,686,715 | $27,848,092 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,227,163 | $25,867,218 |
| Capital assets | 114,007 | 5,800,000 | 5,914,007 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $8,197,163 | $31,951,225 |

| | | | |
|---|---|---|---|
| Less estimated income | 14,216,200 | 6,434,747 | 20,650,947 |
| Total general fund | $9,537,862 | $1,762,416 | $11,300,278 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $19,850,819 | $238,103,877 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $19,850,819 | $248,780,027 |
| Less estimated income | 160,806,249 | 7,107,862 | 167,914,111 |
| Total general fund | $68,122,959 | $12,742,957 | $80,865,916 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,318,100 | $24,661,165 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,318,100 | $24,779,893 |
| Less estimated income | 10,669,315 | 8,471,957 | 19,141,272 |
| Total general fund | $4,792,478 | $846,143 | $5,638,621 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $171,256,335 | $857,584,861 |
| Grand total special funds | 1,926,770,039 | 482,168,481 | 2,408,938,520 |
| Grand total all funds | $2,613,098,565 | $653,424,816 | $3,266,523,381" |

Page 8, replace lines 8 through 12 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $205,727,053 |
| Capital project inflation - general fund | 0 | 13,160,000 |
| Capital projects - other funds | 4,363,000 | 179,161,986 |
| University of North Dakota national security initiative | 0 | 9,000,000 |
| Additional hold harmless adjustment | 0 | 6,728,618" |

Page 8, remove lines 28 through 31

Page 9, replace lines 1 through 6 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 20,000,000 |
| Dakota digital academy | 475,000 | 450,000 |

| | | |
|---|---|---|
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,669,354 |
| Severance agreement | 0 | 300,000 |
| Total all funds | $207,876,121 | $449,837,635 |
| Total other funds | 190,851,121 | 384,889,039 |
| Total general fund | $17,025,000 | $64,948,596" |

Page 9, remove lines 23 through 29

Page 10, line 9, replace "$293,290,000" with "$205,727,053"

Page 10, replace lines 11 through 23 with:

| | |
|---|---|
| "Williston state college medical healthcare building | $25,962,053 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Mayville state university old main renovation | 42,200,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Dakota college at Bottineau old main renovation | 3,300,000 |
| Total strategic investment and improvements fund | $205,727,053" |

Page 10, remove lines 24 through 30

Page 11, remove lines 1 through 30

Page 12, remove lines 1 through 4

Page 12, line 8, after the third comma insert "and any funds in the severance agreements line item in subdivision 1 of section 1 of this Act,"

Page 12, line 21, replace "$7,500,000" with "$3,400,000"

Page 12, line 26, replace "$7,500,000" with "$3,400,000"

Page 12, after line 28, insert:

"**SECTION 10. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND.** The office of management and budget shall transfer $10,000,000 from the strategic investment and improvements fund to the economic diversification research fund during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education."

Page 13, replace lines 20 and 21 with:

| | |
|---|---|
| "Bismarck state college polytechnic project inflation | $12,400,000 |
| Lake region state college wind turbine gearbox replacement and parking lot repairs" | 1,000,000 |

Page 13, replace line 24 with:

| | |
|---|---|
| "University of North Dakota Merrifield hall and Twamley hall project inflation | 12,500,000" |

Page 13, remove lines 26 and 27

Page 13, remove lines 29 and 30

Page 14, replace lines 1 and 2 with:

| | |
|---|---|
| "Dickinson state university generator and project inflation | 2,600,000 |
| Mayville state university old main renovation | 49,970,100 |
| Minot state university Hartnett hall project inflation | 4,000,000 |
| Dakota college at Bottineau old main renovation | 5,800,000 |
| Total | $308,870,100" |

Page 14, line 5, remove "The state board of higher education may not include requests for any state funds for"

Page 14, remove lines 6 through 15

Page 14, line 16, remove "3."

Page 14, line 19, replace "4." with "2."

Page 14, line 25, replace "5." with "3."

Page 14, line 25, replace "Any" with "It is the intent of the sixty-eighth legislative assembly that any"

Page 15, replace lines 3 through 10 with:

"**SECTION 15.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**Economic diversification research fund - Report to legislative management.**

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in or transferred to the fund pursuant to legislative action. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.

2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award grants to institutions under the control of the state board of higher education. Up to ninety percent of the funding must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for

students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.

4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations."

Page 15, line 13, remove "**budget**"

Page 15, line 14, replace "**section**" with "**legislative management**"

Page 15, line 15, remove "budget"

Page 15, line 16, replace "section" with "legislative management"

Page 15, remove lines 21 through 31

Page 16, remove lines 1 through 8

Page 22, line 3, replace "five million" with "two million seven hundred thousand"

Page 22, line 5, replace "four million" with "two million two hundred thousand"

Page 22, line 6, remove "each"

Page 22, line 7, remove "and the North Dakota state university"

Page 22, line 8, remove "main research center"

Page 22, after line 10, insert:

"**SECTION 22.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted as follows:

**Agricultural research and extension - Matching grants - North Dakota state university agricultural experiment station.**

1. a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of North Dakota state university for projects dedicated exclusively to agricultural research and extension at the agricultural experiment station. Notwithstanding section 15-10-53, awards under this section may be used for endowments, operations, facility repair projects, and new capital construction projects.

   b. To be eligible for a matching grant, the institution shall demonstrate:

(1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and

(2) The project has been approved by the grant review committee established in section 15-10-51.

c. The board may award up to two million two hundred thousand dollars in matching grants under this section.

d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process."

Page 22, line 14, replace "Three million" with "One million seven hundred thousand"

Page 22, line 17, replace "Two million" with "One million one hundred thousand"

Page 22, line 19, replace "One million" with "Six hundred thousand"

Page 24, line 22, replace "$72.39" with "$73.15"

Page 24, line 24, replace "$102.78" with "$103.76"

Page 24, line 26, replace "$109.30" with "$110.38"

Page 25, line 25, replace "six hundred fifty" with "three hundred seventy-five"

Page 25, line 26, replace "One thousand one hundred" with "Nine hundred seventeen"

Page 27, line 28, remove ", 15-10-53,"

Page 28, line 11, remove "**- LAKE REGION STATE**"

Page 28, replace lines 12 through 15 with:

"Notwithstanding any matching requirements in chapter 15-54.1, the following projects are authorized to use funding from the respective institution's allocation in the university system capital building fund:

| | |
|---|---|
| Lake region state college wind turbine gearbox replacement and parking lot repairs | $1,000,000 |
| Williston state college medical healthcare building | 637,947 |
| Mayville state university old main renovation | 2,330,087 |
| Dakota college at Bottineau old main renovation | 1,000,000 |
| Total | $4,968,034" |

Page 28, line 27, after the second "programs" insert ", including for the Twamley Hall project at the university of North Dakota,"

Page 28, after line 28, insert:

"**SECTION 40. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The study must include a review of all funding sources relating to dual-credit courses in the state, including tuition and fees, the higher education funding formula, elementary and secondary education integrated formula payments,

institution scholarships, state scholarships, and the Bank of North Dakota. The study must also include a review of funding for dual-credit courses in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Page 28, line 31, remove "and fee"

Page 29, line 5, remove "and fee"

Page 30, line 1, after "hygienist" insert "and dental assistant"

Page 30, line 3, replace "35" with "31"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of Senate Action**

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | | | | |
| Total all funds | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Less estimated income | 25,757,035 | 26,629,233 | (385,125) | 26,244,108 |
| General fund | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| FTE | 158.83 | 162.83 | 1.00 | 163.83 |
| Bismarck State College | | | | |
| Total all funds | $102,493,948 | $141,013,611 | ($18,215,975) | $122,797,636 |
| Less estimated income | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| General fund | $32,084,055 | $36,202,984 | $5,315,071 | $41,518,055 |
| FTE | 332.90 | 335.33 | 0.00 | 335.33 |
| Lake Region State College | | | | |
| Total all funds | $39,513,580 | $42,136,398 | $1,319,377 | $43,455,775 |
| Less estimated income | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| General fund | $14,242,152 | $15,209,842 | $717,166 | $15,927,008 |
| FTE | 115.76 | 120.59 | 0.00 | 120.59 |
| Williston State College | | | | |
| Total all funds | $35,306,272 | $82,009,207 | $309,192 | $82,318,399 |
| Less estimated income | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| General fund | $11,286,737 | $13,159,117 | $128,355 | $13,287,472 |
| FTE | 101.29 | 102.83 | 0.00 | 102.83 |
| University of North Dakota | | | | |
| Total all funds | $906,584,896 | $1,198,001,089 | ($90,357,910) | $1,107,643,179 |
| Less estimated income | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| General fund | $150,927,125 | $223,729,352 | ($28,547,781) | $195,181,571 |
| FTE | 2,059.98 | 2,060.56 | 0.00 | 2,060.56 |
| UND Medical Center | | | | |
| Total all funds | $228,929,208 | $246,725,638 | $2,054,389 | $248,780,027 |
| Less estimated income | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| General fund | $68,122,959 | $80,136,671 | $729,245 | $80,865,916 |
| FTE | 492.67 | 488.83 | 0.00 | 488.83 |
| North Dakota State University | | | | |
| Total all funds | $763,848,425 | $920,309,083 | $5,951,539 | $926,260,622 |
| Less estimated income | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| General fund | $138,431,325 | $164,390,948 | $1,346,023 | $165,736,971 |

| | | | | |
|---|---|---|---|---|
| FTE | 1,829.43 | 1,867.50 | 0.00 | 1,867.50 |
| State College of Science | | | | |
| Total all funds | $96,559,844 | $121,371,653 | ($17,933,013) | $103,438,640 |
| Less estimated income | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| General fund | $35,714,792 | $38,313,650 | $1,640,371 | $39,954,021 |
| FTE | 311.61 | 313.95 | 0.00 | 313.95 |
| Dickinson State University | | | | |
| Total all funds | $51,235,138 | $74,317,834 | $3,088,746 | $77,406,580 |
| Less estimated income | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| General fund | $20,242,730 | $23,903,807 | $1,824,803 | $25,728,610 |
| FTE | 175.50 | 178.00 | 0.00 | 178.00 |
| Mayville State University | | | | |
| Total all funds | $50,962,268 | $105,818,246 | $491,417 | $106,309,663 |
| Less estimated income | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| General fund | $18,679,828 | $21,802,602 | $204,942 | $22,007,544 |
| FTE | 230.35 | 226.92 | 0.00 | 226.92 |
| Minot State University | | | | |
| Total all funds | $105,254,397 | $126,949,121 | ($2,865,605) | $124,083,516 |
| Less estimated income | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| General fund | $41,206,630 | $47,396,793 | $2,050,304 | $49,447,097 |
| FTE | 403.04 | 423.63 | 0.00 | 423.63 |
| Valley City State University | | | | |
| Total all funds | $50,539,223 | $90,901,990 | ($12,991,477) | $77,910,513 |
| Less estimated income | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| General fund | $24,161,377 | $27,587,300 | $260,792 | $27,848,092 |
| FTE | 202.77 | 211.94 | 0.00 | 211.94 |
| Dakota College at Bottineau | | | | |
| Total all funds | $23,754,062 | $31,247,197 | $704,028 | $31,951,225 |
| Less estimated income | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| General fund | $9,537,862 | $11,191,375 | $108,903 | $11,300,278 |
| FTE | 91.86 | 84.00 | 0.00 | 84.00 |
| Forest Service | | | | |
| Total all funds | $15,461,793 | $24,714,730 | $65,163 | $24,779,893 |
| Less estimated income | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |
| General fund | $4,792,478 | $5,575,521 | $63,100 | $5,638,621 |
| FTE | 28.00 | 29.00 | 0.00 | 29.00 |
| Bill total | | | | |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($175,699,312) | $3,266,523,381 |
| Less estimated income | 1,926,770,039 | 2,523,545,068 | (114,606,548) | 2,408,938,520 |
| General fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## House Bill No. 1003 - North Dakota University System - General Fund Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| Bismarck State College | 32,084,055 | 36,202,984 | 5,315,071 | 41,518,055 |
| Lake Region State College | 14,242,152 | 15,209,842 | 717,166 | 15,927,008 |
| Williston State College | 11,286,737 | 13,159,117 | 128,355 | 13,287,472 |
| University of North Dakota | 150,927,125 | 223,729,352 | (28,547,781) | 195,181,571 |
| UND Medical Center | 68,122,959 | 80,136,671 | 729,245 | 80,865,916 |
| North Dakota State University | 138,431,325 | 164,390,948 | 1,346,023 | 165,736,971 |
| State College of Science | 35,714,792 | 38,313,650 | 1,640,371 | 39,954,021 |
| Dickinson State University | 20,242,730 | 23,903,807 | 1,824,803 | 25,728,610 |
| Mayville State University | 18,679,828 | 21,802,602 | 204,942 | 22,007,544 |
| Minot State University | 41,206,630 | 47,396,793 | 2,050,304 | 49,447,097 |
| Valley City State University | 24,161,377 | 27,587,300 | 260,792 | 27,848,092 |
| Dakota College at Bottineau | 9,537,862 | 11,191,375 | 108,903 | 11,300,278 |
| Forest Service | 4,792,478 | 5,575,521 | 63,100 | 5,638,621 |
| Total general fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |

## Detail of Senate Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Adjusts Funding for Capital Projects[5] | Reduces Funding for National Security Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($46,934,058) | | | | | |
| Bismarck State College | | $355,071 | | | $4,960,000 | |
| Lake Region State College | | 147,480 | | $569,686 | | |
| Williston State College | | 128,355 | | | | |
| University of North Dakota | | 1,835,887 | | 616,332 | 5,000,000 | ($36,000,000) |
| UND Medical Center | | 729,245 | | | | |
| North Dakota State University | | 1,608,770 | | 4,537,253 | | |
| State College of Science | | 635,024 | | 1,005,347 | | |
| Dickinson State University | | 224,803 | | | 1,600,000 | |
| Mayville State University | | 204,942 | | | | |
| Minot State University | | 450,304 | | | 1,600,000 | |
| Valley City State University | | 260,792 | | | | |
| Dakota College at Bottineau | | 108,903 | | | | |
| Forest Service | | | | | | |
| Total general fund | ($46,934,058) | $6,689,576 | $0 | $6,728,618 | $13,160,000 | ($36,000,000) |

| | Removes Funding for Workforce Education[7] | Adjusts Forest Service Funding[8] | Total the General Fund Changes |
|---|---|---|---|
| University System Office | | | ($46,934,058) |
| Bismarck State College | | | 5,315,071 |
| Lake Region State College | | | 717,166 |
| Williston State College | | | 128,355 |
| University of North Dakota | | | (28,547,781) |
| UND Medical Center | | | 729,245 |
| North Dakota State University | ($4,800,000) | | 1,346,023 |
| State College of Science | | | 1,640,371 |
| Dickinson State University | | | 1,824,803 |
| Mayville State University | | | 204,942 |
| Minot State University | | | 2,050,304 |
| Valley City State University | | | 260,792 |
| Dakota College at Bottineau | | | 108,903 |
| Forest Service | | $63,100 | 63,100 |
| Total general fund | ($4,800,000) | $63,100 | ($61,092,764) |

## House Bill No. 1003 - North Dakota University System - Other Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $25,757,035 | $26,629,233 | ($385,125) | $26,244,108 |
| Bismarck State College | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| Lake Region State College | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| Williston State College | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| University of North Dakota | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| UND Medical Center | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| North Dakota State University | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| State College of Science | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| Dickinson State University | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| Mayville State University | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| Minot State University | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| Valley City State University | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| Dakota College at Bottineau | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| Forest Service | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |
| Total other funds | $1,926,770,039 | $2,523,545,068 | ($114,606,548) | $2,408,938,520 |

## Detail of Senate Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Adjusts Funding for Capital Projects[5] | Reduces Funding for National Security Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($385,125) | | | | | |
| Bismarck State College | | | $528,954 | | ($24,060,000) | |
| Lake Region State College | | | 202,211 | | 400,000 | |
| Williston State College | | | 180,837 | | | |
| University of North Dakota | | | 5,689,871 | | (67,500,000) | |
| UND Medical Center | | | 1,325,144 | | | |
| North Dakota State University | | | 4,605,516 | | | |
| State College of Science | | | 401,616 | | (19,975,000) | |
| Dickinson State University | | | 263,943 | | 1,000,000 | |
| Mayville State University | | | 286,475 | | | |
| Minot State University | | | 684,091 | | (5,600,000) | |
| Valley City State University | | | 247,731 | | (13,500,000) | |
| Dakota College at Bottineau | | | 95,125 | | 500,000 | |
| Forest Service | | | | | | |
| Total other funds | ($385,125) | $0 | $14,511,514 | $0 | ($128,735,000) | $0 |

| | Removes Funding for Workforce Education[7] | Adjusts Forest Service Funding[8] | Total Other Funds Changes |
|---|---|---|---|
| University System Office | | | ($385,125) |
| Bismarck State College | | | (23,531,046) |
| Lake Region State College | | | 602,211 |
| Williston State College | | | 180,837 |
| University of North Dakota | | | (61,810,129) |
| UND Medical Center | | | 1,325,144 |
| North Dakota State University | | | 4,605,516 |
| State College of Science | | | (19,573,384) |
| Dickinson State University | | | 1,263,943 |
| Mayville State University | | | 286,475 |
| Minot State University | | | (4,915,909) |
| Valley City State University | | | (13,252,269) |
| Dakota College at Bottineau | | | 595,125 |
| Forest Service | | $2,063 | 2,063 |
| Total other funds | $0 | $2,063 | ($114,606,548) |

## House Bill No. 1003 - North Dakota University System - All Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Bismarck State College | 102,493,948 | 141,013,611 | (18,215,975) | 122,797,636 |
| Lake Region State College | 39,513,580 | 42,136,398 | 1,319,377 | 43,455,775 |
| Williston State College | 35,306,272 | 82,009,207 | 309,192 | 82,318,399 |
| University of North Dakota | 906,584,896 | 1,198,001,089 | (90,357,910) | 1,107,643,179 |
| UND Medical Center | 228,929,208 | 246,725,638 | 2,054,389 | 248,780,027 |
| North Dakota State University | 763,848,425 | 920,309,083 | 5,951,539 | 926,260,622 |
| State College of Science | 96,559,844 | 121,371,653 | (17,933,013) | 103,438,640 |
| Dickinson State University | 51,235,138 | 74,317,834 | 3,088,746 | 77,406,580 |
| Mayville State University | 50,962,268 | 105,818,246 | 491,417 | 106,309,663 |
| Minot State University | 105,254,397 | 126,949,121 | (2,865,605) | 124,083,516 |
| Valley City State University | 50,539,223 | 90,901,990 | (12,991,477) | 77,910,513 |
| Dakota College at Bottineau | 23,754,062 | 31,247,197 | 704,028 | 31,951,225 |
| Forest Service | 15,461,793 | 24,714,730 | 65,163 | 24,779,893 |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($175,699,312) | $3,266,523,381 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## Detail of Senate Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Adjusts Funding for Capital Projects[5] | Reduces Funding for National Security Initiative[6] |
|---|---|---|---|---|---|---|
| University System Office | ($47,319,183) | | | | | |
| Bismarck State College | | $355,071 | $528,954 | | ($19,100,000) | |
| Lake Region State College | | 147,480 | 202,211 | $569,686 | 400,000 | |
| Williston State College | | 128,355 | 180,837 | | | |
| University of North Dakota | | 1,835,887 | 5,689,871 | 616,332 | (62,500,000) | ($36,000,000) |
| UND Medical Center | | 729,245 | 1,325,144 | | | |
| North Dakota State University | | 1,608,770 | 4,605,516 | 4,537,253 | | |
| State College of Science | | 635,024 | 401,616 | 1,005,347 | (19,975,000) | |
| Dickinson State University | | 224,803 | 263,943 | | 2,600,000 | |
| Mayville State University | | 204,942 | 286,475 | | | |
| Minot State University | | 450,304 | 684,091 | | (4,000,000) | |
| Valley City State University | | 260,792 | 247,731 | | (13,500,000) | |
| Dakota College at Bottineau | | 108,903 | 95,125 | | 500,000 | |
| Forest Service | | | | | | |
| Total all funds | ($47,319,183) | $6,689,576 | $14,511,514 | $6,728,618 | ($115,575,000) | ($36,000,000) |
| FTE | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Removes Funding for Workforce Education[7] | Adjusts Forest Service Funding[8] | Total All Funds Changes |
|---|---|---|---|
| University System Office | | | ($47,319,183) |
| Bismarck State College | | | (18,215,975) |
| Lake Region State College | | | 1,319,377 |
| Williston State College | | | 309,192 |
| University of North Dakota | | | (90,357,910) |
| UND Medical Center | | | 2,054,389 |
| North Dakota State University | ($4,800,000) | | 5,951,539 |
| State College of Science | | | (17,933,013) |
| Dickinson State University | | | 3,088,746 |
| Mayville State University | | | 491,417 |
| Minot State University | | | (2,865,605) |
| Valley City State University | | | (12,991,477) |
| Dakota College at Bottineau | | | 704,028 |
| Forest Service | | $65,163 | 65,163 |
| Total all funds | ($4,800,000) | $65,163 | ($175,699,312) |
| FTE | 0.00 | 0.00 | 1.00 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Salary increase | 0 | $145,345 | $5,459 | $150,804 |
| Health insurance increase | 0 | (2,532) | (118) | (2,650) |
| New vice chancellor position | 1.00 | 425,000 | 0 | 425,000 |
| Salaries funding source change | 0 | 561,327 | (561,327) | 0 |
| Financial aid staff | 0 | (125,000) | 0 | (125,000) |
| New financial aid system one-time costs | 0 | 115,000 | 0 | 115,000 |
| Total | 1.00 | $1,119,140 | ($555,986) | $563,154 |

The following schedule details funding adjustments for core technology services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $355,691 | $176,319 | $532,010 |
| Health insurance increase | (8,889) | (5,458) | (14,347) |
| Software and a security operations center | (1,500,000) | 0 | (1,500,000) |
| Total | ($1,153,198) | $170,861 | ($982,337) |

The following schedule details general fund adjustments in other line items in the University System office budget:

| | House Version | Senate Version | Change |
|---|---|---|---|
| Student financial assistance grants | $35,917,306 | $29,917,306 | ($6,000,000) |
| Tribally controlled community college grants | 2,000,000 | 1,400,000 | (600,000) |
| Challenge grants (one-time) | 36,000,000 | 20,000,000 | (16,000,000) |
| Severance agreement (one-time) | 0 | 300,000 | 300,000 |
| Passthrough grants (one-time) | 20,100,000 | 0 | (20,100,000) |
| Single parent support (one-time) | 4,500,000 | 0 | (4,500,000) |
| Total | $98,517,306 | $51,617,306 | ($46,900,000) |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

**General Fund Adjustments**

| | Formula Adjustment | Salary Increase | Health Insurance Decrease | Total Increase |
|---|---|---|---|---|
| Bismarck State College | $0 | $369,687 | ($14,616) | $355,071 |
| Dakota College at Bottineau | 0 | 113,287 | (4,384) | 108,903 |
| Lake Region State College | 0 | 153,406 | (5,926) | 147,480 |
| State College of Science | 231,285 | 419,719 | (15,980) | 635,024 |
| Williston State College | 0 | 132,726 | (4,371) | 128,355 |
| Dickinson State University | 0 | 233,352 | (8,549) | 224,803 |
| Mayville State University | 0 | 213,346 | (8,404) | 204,942 |
| Minot State University | 0 | 468,250 | (17,946) | 450,304 |
| Valley City State University | 0 | 273,761 | (12,969) | 260,792 |
| North Dakota State University | 0 | 1,663,524 | (54,754) | 1,608,770 |
| University of North Dakota | 0 | 1,880,889 | (45,002) | 1,835,887 |
| UND School of Medicine | 0 | 749,087 | (19,842) | 729,245 |
| Total | $231,285 | $6,671,034 | ($212,743) | $6,689,576 |

Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates. The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[3] The following adjustments are made to institution other funds appropriations:

**Other Funds Adjustments**

| | Salary Increase | Health Insurance Adjustment | Total |
|---|---|---|---|
| Bismarck State College | $550,866 | ($21,912) | $528,954 |
| Dakota College at Bottineau | 99,613 | (4,488) | 95,125 |
| Lake Region State College | 209,775 | (7,564) | 202,211 |
| State College of Science | 419,623 | (18,007) | 401,616 |
| Williston State College | 187,102 | (6,265) | 180,837 |
| Dickinson State University | 274,835 | (10,892) | 263,943 |
| Mayville State University | 302,911 | (16,436) | 286,475 |
| Minot State University | 710,937 | (26,846) | 684,091 |
| Valley City State University | 259,853 | (12,122) | 247,731 |
| North Dakota State University | 4,773,896 | (168,380) | 4,605,516 |
| University of North Dakota | 5,888,793. | (198,922) | 5,689,871 |
| UND School of Medicine | 1,356,739 | (31,595) | 1,325,144 |
| Total | $15,034,943 | ($523,429) | $14,511,514 |

[4] Funding is added as follows for an adjusted minimum amount payable, to provide for a maximum reduction of $1 million under the funding formula for the University of North Dakota and North Dakota State University and for a 100 percent minimum amount payable for the remaining institutions:

| | General Fund |
|---|---|
| Lake Region State College | $569,686 |
| University of North Dakota | 616,332 |
| North Dakota State University | 4,537,253 |
| North Dakota State College of Science | 1,005,347 |
| Total | $6,728,618 |

[5] One-time funding is adjusted for the following capital building projects:

| | General Fund | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Removes funding for BSC multipurpose academic and athletic center | 0 | ($29,900,000) | ($1,600,000) | ($31,500,000) |
| Adds funding for BSC polytechnic building inflation | $4,960,000 | | 7,440,000 | 12,400,000 |
| Increases funding for LRSC wind turbine gearbox and parking lot | 0 | 0 | 400,000 | 400,000 |
| Adjusts funding for WSC medical healthcare building | 0 | (8,787,947) | 8,787,947 | 0 |
| Removes funding for UND science, technology, engineering, and math building | 0 | (52,000,000) | (23,000,000) | (75,000,000) |
| Provides funding for UND Merrifield Hall and Twamley Hall inflation | 5,000,000 | 0 | 7,500,000 | 12,500,000 |
| Removes funding for NDSCS agriculture, automation, and autonomous systems building | 0 | (18,975,000) | (1,000,000) | (19,975,000) |
| Provides funding for DSU generator and other projects inflation | 1,600,000 | 0 | 1,000,000 | 2,600,000 |
| Adjusts funding for MaSU Old Main renovation | 0 | (7,770,100) | 7,770,100 | 0 |
| Removes funding for MiSU academic building | 0 | (7,600,000) | (400,000) | (8,000,000) |
| Provides funding for MiSU Hartnett Hall inflation | 1,600,000 | 0 | 2,400,000 | 4,000,000 |
| Removes funding for VCSU McCarthy Hall | 0 | (11,500,000) | (2,000,000) | (13,500,000) |
| Increases funding for DCB Old Main renovation | 0 | (1,000,000) | 1,500,000 | 500,000 |
| Total capital projects | $13,160,000 | ($137,533,047) | $8,798,047 | ($115,575,000) |

[6] One-time funding is reduced by $36 million from the general fund to provide a total of $9 million for the University of North Dakota national security initiative. The House provided $45 million for the national security initiative.

[7] One-time funding of $4.8 million from the general fund added by the House for workforce education at North

Dakota State University is removed by the Senate.

[8] Salaries and wages funding for the Forest Service is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

| | General Fund | Other Funds | Total |
|---|---|---|---|
| Salary increase | $66,058 | $2,181 | $68,239 |
| Health insurance adjustment | (2,958) | (118) | (3,076) |
| Total | $63,100 | $2,063 | $65,163 |

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

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## House Bill No. 1003 - Other Changes - Senate Action

This amendment also:

- Removes a separate appropriation section for the Mayville State University Old Main project. The project appropriation is moved to Section 1 of the bill.
- Reduces funding for projects from the strategic investment and improvements fund (SIIF) by $137,533,047 to provide a total of $205,727,053 from SIIF for capital projects.
- Removes a section identifying $4.8 million from the general fund for workforce education at North Dakota State University.
- Removes a section identifying $4.5 million from the general fund for student support for single mothers.
- Adjusts the source of funds for the reimbursement of a North Dakota State University severance agreement to provide $300,000 from the general fund and the remainder from the University System office carryover funding.
- Reduces transfers from Bank of North Dakota profits to the career builders program from $15 million to $6.8 million.
- Adds sections to transfer $10 million from SIIF to a newly created economic diversification research fund.
- Adjusts the projects authorized to use funding from each institution's allocation in the University System capital building fund.
- Removes certain limitations on future institution requests for capital project funding.
- Removes a section allowing for a transfer of appropriation authority between the University of North Dakota and the School of Medicine and Health Sciences.
- Adjusts a section to provide for the commissioner of the North Dakota University System to provide an annual report to the Legislative Management instead of the Budget Section.
- Removes a section requiring future severance agreements to be paid from the University System office budget and for the agreements to be approved by the Emergency Commission and Budget Section.
- Removes a section requiring the State Board of Higher Education to approve or deny a request for a new academic program within 30 days.
- Adjusts the funding available to each institution under the challenge grant program and restores limitations on the use of state matching funds.
- Adjusts the base funding rate under the higher education funding formula to provide for a 6 percent salary increase on July 1, 2023.
- Reduces the increase in the maximum grant award under the student financial assistance grants program.
- Exempts certain capital projects from matching requirements under the University System capital building fund program.
- Clarifies that funding appropriated during the November 2021 special session for the University of North Dakota Merrifield Hall project also may be used for a renovation of Twamley Hall.
- Provides for a Legislative Management study of dual-credit funding.
- Clarifies that the tuition increase limitation does not include a limitation on fees charged to students.
- Clarifies that both dental hygiene and dental assistant credits should be placed under the career and technical education program classification within the higher education funding formula.

23.1126.01000

Sixty-eighth
Legislative Assembly
of North Dakota

**BILL NO.**

Introduced by

Senator Myrdal

(Approved by Delayed Bills Committee)

A BILL for an Act to provide for a legislative management study of the impact artificial intelligence has on the state.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the rapid emergence of artificial intelligence and the potential impacts on the state's institutions, agencies, businesses, citizens, and youth. The study must include a review of the effect of artificial intelligence on the provision of health care, effects on student learning, potential opportunities or threats to the integrity of state services, the potential impact of deep fakes on electoral processes including mitigating action to be taken leading up to the 2024 state elections, opportunities for state investment or policy changes to promote artificial intelligence businesses, and cybersecurity implications across all state institutions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

23.0232.02007
Title.

Fiscal No. 3

Prepared by the Legislative Council staff for
the Senate Appropriations - Education and
Environment Division Committee
April 10, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, after the semicolon insert "to provide an appropriation to the Bank of North Dakota;"

Page 1, line 2, replace "five" with "a new section to chapter 6-09, three"

Page 1, line 2, after "15-10" insert ", section 15-10-48.2,"

Page 1, line 3, after "to" insert "an economic diversification research fund, matching grants for agricultural research and extension,"

Page 1, line 4, remove "funding of severance agreements, academic program approval,"

Page 1, line 16, remove ", 15-10-53,"

Page 1, line 19, replace "pilot program" with "legislative management study"

Page 2, remove lines 6 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Capital assets - bond payments | $13,385,264 | ($2,187,368) | $11,197,896 |
| Competitive research programs | 5,685,750 | 0 | 5,685,750 |
| System governance | 8,605,570 | 3,266,239 | 11,871,809 |
| Core technology services | 62,962,817 | 6,881,654 | 69,844,471 |
| Student financial assistance grants | 23,917,306 | 6,000,000 | 29,917,306 |
| Professional student exchange program | 3,699,342 | 0 | 3,699,342 |
| Academic and CTE scholarships | 16,216,749 | 1,000,000 | 17,216,749 |
| Scholars program | 1,807,115 | 0 | 1,807,115 |
| Native American scholarship | 555,323 | 444,677 | 1,000,000 |
| Tribally controlled community college grants | 1,000,000 | 400,000 | 1,400,000 |
| Education incentive programs | 260,000 | 0 | 260,000 |
| Student mental health | 284,400 | 0 | 284,400 |
| Veterans' assistance grants | 277,875 | 177,000 | 454,875 |
| Shared campus services | 800,000 | 0 | 800,000 |
| Nursing education consortium | 1,356,000 | 0 | 1,356,000 |

| | | | |
|---|---|---|---|
| NASA EPSCoR | 342,000 | 0 | 342,000 |
| Education challenge fund | 0 | 20,000,000 | 20,000,000 |
| Workforce education grants | 0 | 10,000,000 | 10,000,000 |
| Dual-credit tuition scholarship | 1,500,000 | 0 | 1,500,000 |
| Dakota digital academy | 0 | 450,000 | 450,000 |
| Severance agreements | 0 | 300,000 | 300,000 |
| Total all funds | $142,655,511 | $46,732,202 | $189,387,713 |
| Less estimated income | 25,757,035 | 487,073 | 26,244,108 |
| Total general fund | $116,898,476 | $46,245,129 | $163,143,605 |
| Full-time equivalent positions | 158.83 | 5.00 | 163.83 |

Subdivision 2.

BISMARCK STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $100,571,387 | $7,699,688 | $108,271,075 |
| Capital assets | 1,922,561 | 12,400,000 | 14,322,561 |
| Behavioral health initiative | 0 | 204,000 | 204,000 |
| Total all funds | $102,493,948 | $20,303,688 | $122,797,636 |
| Less estimated income | 70,409,893 | 10,869,688 | 81,279,581 |
| Total general fund | $32,084,055 | $9,434,000 | $41,518,055 |
| Full-time equivalent positions | 332.90 | 2.43 | 335.33 |

Subdivision 3.

LAKE REGION STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $39,150,913 | $2,263,509 | $41,414,422 |
| Capital assets | 362,667 | 1,000,000 | 1,362,667 |
| Minimum amount payable adjustment | 0 | 569,686 | 569,686 |
| Behavioral health initiative | 0 | 109,000 | 109,000 |
| Total all funds | $39,513,580 | $3,942,195 | $43,455,775 |
| Less estimated income | 25,271,428 | 2,257,339 | 27,528,767 |
| Total general fund | $14,242,152 | $1,684,856 | $15,927,008 |
| Full-time equivalent positions | 115.76 | 4.83 | 120.59 |

Subdivision 4.

WILLISTON STATE COLLEGE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $34,044,304 | $2,929,048 | $36,973,352 |
| Capital assets | 1,261,968 | 43,913,939 | 45,175,907 |
| Behavioral health initiative | 0 | 169,140 | 169,140 |
| Total all funds | $35,306,272 | $47,012,127 | $82,318,399 |
| Less estimated income | 24,019,535 | 45,011,392 | 69,030,927 |
| Total general fund | $11,286,737 | $2,000,735 | $13,287,472 |
| Full-time equivalent positions | 101.29 | 1.54 | 102.83 |

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $902,173,330 | $60,080,851 | $962,254,181 |
| Capital assets | 4,411,566 | 127,500,000 | 131,911,566 |
| Minimum amount payable adjustment | 0 | 616,332 | 616,332 |
| National security initiative | 0 | 9,000,000 | 9,000,000 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 660,000 | 660,000 |
| Total all funds | $906,584,896 | $201,058,283 | $1,107,643,179 |
| Less estimated income | 755,657,771 | 156,803,837 | 912,461,608 |
| Total general fund | $150,927,125 | $44,254,446 | $195,181,571 |
| Full-time equivalent positions | 2,059.98 | 0.58 | 2,060.56 |

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $756,049,321 | $46,573,844 | $802,623,165 |
| Capital assets | 7,799,104 | 107,000,000 | 114,799,104 |
| Minimum amount payable adjustment | 0 | 4,537,253 | 4,537,253 |
| Research network | 0 | 3,201,100 | 3,201,100 |
| Behavioral health initiative | 0 | 1,100,000 | 1,100,000 |
| Total all funds | $763,848,425 | $162,412,197 | $926,260,622 |
| Less estimated income | 625,417,100 | 135,106,551 | 760,523,651 |
| Total general fund | $138,431,325 | $27,305,646 | $165,736,971 |
| Full-time equivalent positions | 1,829.43 | 38.07 | 1,867.50 |

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $95,547,465 | $5,686,699 | $101,234,164 |
| Capital assets | 1,012,379 | 0 | 1,012,379 |
| Minimum amount payable adjustment | 0 | 1,005,347 | 1,005,347 |
| Behavioral health initiative | 0 | 186,750 | 186,750 |
| Total all funds | $96,559,844 | $6,878,796 | $103,438,640 |
| Less estimated income | 60,845,052 | 2,639,567 | 63,484,619 |
| Total general fund | $35,714,792 | $4,239,229 | $39,954,021 |
| Full-time equivalent positions | 311.61 | 2.34 | 313.95 |

Subdivision 8.

DICKINSON STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,826,060 | $5,244,442 | $56,070,502 |
| Capital assets | 409,078 | 20,600,000 | 21,009,078 |
| Behavioral health initiative | 0 | 327,000 | 327,000 |

| | | | |
|---|---|---|---|
| Total all funds | $51,235,138 | $26,171,442 | $77,406,580 |
| Less estimated income | 30,992,408 | 20,685,562 | 51,677,970 |
| Total general fund | $20,242,730 | $5,485,880 | $25,728,610 |
| Full-time equivalent positions | 175.50 | 2.50 | 178.00 |

Subdivision 9.

MAYVILLE STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,603,276 | $5,068,561 | $55,671,837 |
| Capital assets | 358,992 | 49,970,100 | 50,329,092 |
| Behavioral health initiative | 0 | 308,734 | 308,734 |
| Total all funds | $50,962,268 | $55,347,395 | $106,309,663 |
| Less estimated income | 32,282,440 | 52,019,679 | 84,302,119 |
| Total general fund | $18,679,828 | $3,327,716 | $22,007,544 |
| Full-time equivalent positions | 230.35 | (3.43) | 226.92 |

Subdivision 10.

MINOT STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $104,154,777 | $10,794,119 | $114,948,896 |
| Capital assets | 1,099,620 | 7,865,000 | 8,964,620 |
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $105,254,397 | $18,829,119 | $124,083,516 |
| Less estimated income | 64,047,767 | 10,588,652 | 74,636,419 |
| Total general fund | $41,206,630 | $8,240,467 | $49,447,097 |
| Full-time equivalent positions | 403.04 | 20.59 | 423.63 |

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $50,083,400 | $5,135,290 | $55,218,690 |
| Capital assets | 455,823 | 22,000,000 | 22,455,823 |
| Behavioral health initiative | 0 | 236,000 | 236,000 |
| Total all funds | $50,539,223 | $27,371,290 | $77,910,513 |
| Less estimated income | 26,377,846 | 23,684,575 | 50,062,421 |
| Total general fund | $24,161,377 | $3,686,715 | $27,848,092 |
| Full-time equivalent positions | 202.77 | 9.17 | 211.94 |

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $23,640,055 | $2,227,163 | $25,867,218 |
| Capital assets | 114,007 | 5,800,000 | 5,914,007 |

| | | | |
|---|---|---|---|
| Behavioral health initiative | 0 | 170,000 | 170,000 |
| Total all funds | $23,754,062 | $8,197,163 | $31,951,225 |
| Less estimated income | 14,216,200 | 6,434,747 | 20,650,947 |
| Total general fund | $9,537,862 | $1,762,416 | $11,300,278 |
| Full-time equivalent positions | 91.86 | (7.86) | 84.00 |

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $218,253,058 | $19,850,819 | $238,103,877 |
| Healthcare workforce initiative | 10,676,150 | 0 | 10,676,150 |
| Total all funds | $228,929,208 | $19,850,819 | $248,780,027 |
| Less estimated income | 160,806,249 | 7,107,862 | 167,914,111 |
| Total general fund | $68,122,959 | $12,742,957 | $80,865,916 |
| Full-time equivalent positions | 492.67 | (3.84) | 488.83 |

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Operations | $15,343,065 | $9,318,100 | $24,661,165 |
| Capital assets | 118,728 | 0 | 118,728 |
| Total all funds | $15,461,793 | $9,318,100 | $24,779,893 |
| Less estimated income | 10,669,315 | 8,471,957 | 19,141,272 |
| Total general fund | $4,792,478 | $846,143 | $5,638,621 |
| Full-time equivalent positions | 28.00 | 1.00 | 29.00 |

Subdivision 15.

TOTAL - SECTION 1

| | Base Level | Adjustments or Enhancements | Appropriation |
|---|---|---|---|
| Grand total general fund | $686,328,526 | $171,256,335 | $857,584,861 |
| Grand total special funds | 1,926,770,039 | 482,168,481 | 2,408,938,520 |
| Grand total all funds | $2,613,098,565 | $653,424,816 | $3,266,523,381" |

Page 8, replace lines 8 through 12 with:

| | | |
|---|---|---|
| "Capital projects - strategic investment and improvements fund | $0 | $205,727,053 |
| Capital project inflation - general fund | 0 | 13,160,000 |
| Capital projects - other funds | 4,363,000 | 179,161,986 |
| University of North Dakota national security initiative | 0 | 9,000,000 |
| Additional hold harmless adjustment | 0 | 6,728,618" |

Page 8, remove lines 28 through 31

Page 9, replace lines 1 through 6 with:

| | | |
|---|---|---|
| "Higher education challenge grants | 11,150,000 | 20,000,000 |
| Dakota digital academy | 475,000 | 450,000 |
| Workforce education grants | 0 | 10,000,000 |
| Behavioral health initiative | 0 | 3,640,624 |
| Financial aid software | 0 | 1,669,354 |
| Severance agreement | 0 | 300,000 |
| Total all funds | $207,876,121 | $449,837,635 |
| Total other funds | 190,851,121 | 384,889,039 |
| Total general fund | $17,025,000 | $64,948,596" |

Page 9, remove lines 23 through 29

Page 10, line 9, replace "$293,290,000" with "$205,727,053"

Page 10, replace lines 11 through 23 with:

| | |
|---|---|
| "Williston state college medical healthcare building | $25,962,053 |
| University of North Dakota science, engineering, and national security corridor | 57,400,000 |
| North Dakota state university center for engineering and computational sciences | 59,000,000 |
| Dickinson state university agriculture and technical education building | 17,100,000 |
| Mayville state university old main renovation | 42,200,000 |
| Minot state university Dakota hall demolition | 765,000 |
| Dakota college at Bottineau old main renovation | 3,300,000 |
| Total strategic investment and improvements fund | $205,727,053" |

Page 10, remove lines 24 through 30

Page 11, remove lines 1 through 30

Page 12, remove lines 1 through 4

Page 12, line 8, after the third comma insert "and any funds in the severance agreements line item in subdivision 1 of section 1 of this Act,"

Page 12, line 21, replace "$7,500,000" with "$3,400,000"

Page 12, line 26, replace "$7,500,000" with "$3,400,000"

Page 12, after line 28, insert:

"**SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND.** The office of management and budget shall transfer $10,000,000 from the strategic investment and improvements fund to the economic diversification research fund, the sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to institutions under the control of the state board of higher eduction, for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education."

Page 13, replace lines 20 and 21 with:

| | |
|---|---|
| "Bismarck state college polytechnic project inflation | $12,400,000 |
| Lake region state college wind turbine gearbox replacement and parking lot repairs" | 1,000,000 |

Page 13, replace line 24 with:

| | |
|---|---|
| "University of North Dakota Merrifield hall and Twamley hall project inflation | 12,500,000" |

Page 13, remove lines 26 and 27

Page 13, remove lines 29 and 30

Page 14, replace lines 1 and 2 with:

| | |
|---|---|
| "Dickinson state university generator and project inflation | 2,600,000 |
| Mayville state university old main renovation | 49,970,100 |
| Minot state university Hartnett hall project inflation | 4,000,000 |
| Dakota college at Bottineau old main renovation | 5,800,000 |
| Total | $308,870,100" |

Page 14, line 5, remove "The state board of higher education may not include requests for any state funds for"

Page 14, remove lines 6 through 15

Page 14, line 16, remove "3."

Page 14, line 19, replace "4." with "2."

Page 14, line 25, replace "5." with "3."

Page 14, line 25, replace "Any" with "It is the intent of the sixty-eighth legislative assembly that any"

Page 15, replace lines 3 through 10 with:

"**SECTION 15.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**Economic diversification research fund - Report to legislative management.**

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in or transferred to the fund pursuant to legislative action. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.

2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award grants to institutions under the control of the state board of higher education. Up to ninety percent of the funding must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new

technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.

4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations."

Page 15, line 13, remove "**budget**"

Page 15, line 14, replace "**section**" with "**legislative management**"

Page 15, line 15, remove "budget"

Page 15, line 16, replace "section" with "legislative management"

Page 15, remove lines 21 through 31

Page 16, remove lines 1 through 8

Page 22, line 3, replace "five million" with "two million seven hundred thousand"

Page 22, line 5, replace "four million" with "two million two hundred thousand"

Page 22, line 6, remove "each"

Page 22, line 7, remove "and the North Dakota state university"

Page 22, line 8, remove "main research center"

Page 22, after line 10, insert:

"**SECTION 23.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted as follows:

**Agricultural research and extension - Matching grants - North Dakota state university agricultural experiment station.**

1. a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of North Dakota state university for projects dedicated exclusively to agricultural research and extension at the agricultural experiment station. Notwithstanding section 15-10-53, awards under this section may be used for endowments, operations, facility repair projects, and new capital construction projects.

b. To be eligible for a matching grant, the institution shall demonstrate:

(1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and

(2) The project has been approved by the grant review committee established in section 15-10-51.

c. The board may award up to two million two hundred thousand dollars in matching grants under this section.

d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process."

Page 22, line 14, replace "Three million" with "One million seven hundred thousand"

Page 22, line 17, replace "Two million" with "One million one hundred thousand"

Page 22, line 19, replace "One million" with "Six hundred thousand"

Page 24, line 22, replace "$72.39" with "$73.15"

Page 24, line 24, replace "$102.78" with "$103.76"

Page 24, line 26, replace "$109.30" with "$110.38"

Page 25, line 25, replace "six hundred fifty" with "three hundred seventy-five"

Page 25, line 26, replace "One thousand one hundred" with "Nine hundred seventeen"

Page 27, line 28, remove ", 15-10-53,"

Page 28, line 11, remove "**- LAKE REGION STATE**"

Page 28, replace lines 12 through 15 with:

"Notwithstanding any matching requirements in chapter 15-54.1, the following projects are authorized to use funding from the respective institution's allocation in the university system capital building fund:

| | |
|---|---|
| Lake region state college wind turbine gearbox replacement and parking lot repairs | $1,000,000 |
| Williston state college medical healthcare building | 637,947 |
| Mayville state university old main renovation | 2,330,087 |
| Dakota college at Bottineau old main renovation | 1,000,000 |
| Total | $4,968,034" |

Page 28, line 27, after the second "programs" insert ", including for the Twamley Hall project at the university of North Dakota,"

Page 28, after line 28, insert:

"**SECTION 41. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The study must include a review of all funding sources relating

to dual-credit courses in the state, including tuition and fees, the higher education funding formula, elementary and secondary education integrated formula payments, institution scholarships, state scholarships, and the Bank of North Dakota. The study must also include a review of funding for dual-credit courses in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

**SECTION 42. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the emergence of artificial intelligence and the potential impacts on the state's institutions, agencies, businesses, citizens, and youth. The study must include a review of the effect of artificial intelligence on the provision of health care, effects on student learning, potential opportunities or threats to the integrity of state services, the potential impact on electoral processes, including mitigating action to be taken leading up to the 2024 state elections, opportunities for state investment or policy changes to promote artificial intelligence businesses, and cybersecurity implications across all state institutions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Page 28, line 31, remove "and fee"

Page 29, line 5, remove "and fee"

Page 30, line 1, after "hygienist" insert "and dental assistant"

Page 30, line 3, replace "Section" with Sections"

Page 30, line 3, replace "35" with "2, 5, 11, 12, 13, 32, 38, and the capital assets line items in section 1"

Page 30, line 3, replace "is" with "are"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of Senate Action**

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | | | | |
| Total all funds | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Less estimated income | 25,757,035 | 26,629,233 | (385,125) | 26,244,108 |
| General fund | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| FTE | 158.83 | 162.83 | 1.00 | 163.83 |
| Bismarck State College | | | | |
| Total all funds | $102,493,948 | $141,013,611 | ($18,215,975) | $122,797,636 |
| Less estimated income | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| General fund | $32,084,055 | $36,202,984 | $5,315,071 | $41,518,055 |
| FTE | 332.90 | 335.33 | 0.00 | 335.33 |
| Lake Region State College | | | | |
| Total all funds | $39,513,580 | $42,136,398 | $1,319,377 | $43,455,775 |
| Less estimated income | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| General fund | $14,242,152 | $15,209,842 | $717,166 | $15,927,008 |
| FTE | 115.76 | 120.59 | 0.00 | 120.59 |

| | | | | |
|---|---|---|---|---|
| Williston State College | | | | |
| Total all funds | $35,306,272 | $82,009,207 | $309,192 | $82,318,399 |
| Less estimated income | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| General fund | $11,286,737 | $13,159,117 | $128,355 | $13,287,472 |
| FTE | 101.29 | 102.83 | 0.00 | 102.83 |
| University of North Dakota | | | | |
| Total all funds | $906,584,896 | $1,198,001,089 | ($90,357,910) | $1,107,643,179 |
| Less estimated income | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| General fund | $150,927,125 | $223,729,352 | ($28,547,781) | $195,181,571 |
| FTE | 2,059.98 | 2,060.56 | 0.00 | 2,060.56 |
| UND Medical Center | | | | |
| Total all funds | $228,929,208 | $246,725,638 | $2,054,389 | $248,780,027 |
| Less estimated income | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| General fund | $68,122,959 | $80,136,671 | $729,245 | $80,865,916 |
| FTE | 492.67 | 488.83 | 0.00 | 488.83 |
| North Dakota State University | | | | |
| Total all funds | $763,848,425 | $920,309,083 | $5,951,539 | $926,260,622 |
| Less estimated income | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| General fund | $138,431,325 | $164,390,948 | $1,346,023 | $165,736,971 |
| FTE | 1,829.43 | 1,867.50 | 0.00 | 1,867.50 |
| State College of Science | | | | |
| Total all funds | $96,559,844 | $121,371,653 | ($17,933,013) | $103,438,640 |
| Less estimated income | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| General fund | $35,714,792 | $38,313,650 | $1,640,371 | $39,954,021 |
| FTE | 311.61 | 313.95 | 0.00 | 313.95 |
| Dickinson State University | | | | |
| Total all funds | $51,235,138 | $74,317,834 | $3,088,746 | $77,406,580 |
| Less estimated income | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| General fund | $20,242,730 | $23,903,807 | $1,824,803 | $25,728,610 |
| FTE | 175.50 | 178.00 | 0.00 | 178.00 |
| Mayville State University | | | | |
| Total all funds | $50,962,268 | $105,818,246 | $491,417 | $106,309,663 |
| Less estimated income | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| General fund | $18,679,828 | $21,802,602 | $204,942 | $22,007,544 |
| FTE | 230.35 | 226.92 | 0.00 | 226.92 |
| Minot State University | | | | |
| Total all funds | $105,254,397 | $126,949,121 | ($2,865,605) | $124,083,516 |
| Less estimated income | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| General fund | $41,206,630 | $47,396,793 | $2,050,304 | $49,447,097 |
| FTE | 403.04 | 423.63 | 0.00 | 423.63 |
| Valley City State University | | | | |
| Total all funds | $50,539,223 | $90,901,990 | ($12,991,477) | $77,910,513 |
| Less estimated income | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| General fund | $24,161,377 | $27,587,300 | $260,792 | $27,848,092 |
| FTE | 202.77 | 211.94 | 0.00 | 211.94 |
| Dakota College at Bottineau | | | | |
| Total all funds | $23,754,062 | $31,247,197 | $704,028 | $31,951,225 |
| Less estimated income | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| General fund | $9,537,862 | $11,191,375 | $108,903 | $11,300,278 |
| FTE | 91.86 | 84.00 | 0.00 | 84.00 |
| Forest Service | | | | |
| Total all funds | $15,461,793 | $24,714,730 | $65,163 | $24,779,893 |
| Less estimated income | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |

| | | | | |
|---|---|---|---|---|
| General fund | $4,792,478 | $5,575,521 | $63,100 | $5,638,621 |
| FTE | 28.00 | 29.00 | 0.00 | 29.00 |
| Bank of North Dakota | | | | |
| Total all funds | $0 | $0 | $10,000,000 | $10,000,000 |
| Less estimated income | 0 | 0 | 10,000,000 | 10,000,000 |
| General fund | $0 | $0 | $0 | $0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |
| Bill total | | | | |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($165,699,312) | $3,276,523,381 |
| Less estimated income | 1,926,770,039 | 2,523,545,068 | (104,606,548) | 2,418,938,520 |
| General fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## House Bill No. 1003 - General Fund Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $116,898,476 | $210,077,663 | ($46,934,058) | $163,143,605 |
| Bismarck State College | 32,084,055 | 36,202,984 | 5,315,071 | 41,518,055 |
| Lake Region State College | 14,242,152 | 15,209,842 | 717,166 | 15,927,008 |
| Williston State College | 11,286,737 | 13,159,117 | 128,355 | 13,287,472 |
| University of North Dakota | 150,927,125 | 223,729,352 | (28,547,781) | 195,181,571 |
| UND Medical Center | 68,122,959 | 80,136,671 | 729,245 | 80,865,916 |
| North Dakota State University | 138,431,325 | 164,390,948 | 1,346,023 | 165,736,971 |
| State College of Science | 35,714,792 | 38,313,650 | 1,640,371 | 39,954,021 |
| Dickinson State University | 20,242,730 | 23,903,807 | 1,824,803 | 25,728,610 |
| Mayville State University | 18,679,828 | 21,802,602 | 204,942 | 22,007,544 |
| Minot State University | 41,206,630 | 47,396,793 | 2,050,304 | 49,447,097 |
| Valley City State University | 24,161,377 | 27,587,300 | 260,792 | 27,848,092 |
| Dakota College at Bottineau | 9,537,862 | 11,191,375 | 108,903 | 11,300,278 |
| Forest Service | 4,792,478 | 5,575,521 | 63,100 | 5,638,621 |
| Bank of North Dakota | | | | |
| Total general fund | $686,328,526 | $918,677,625 | ($61,092,764) | $857,584,861 |

## Detail of Senate Changes to the General Fund

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($46,934,058) | | | | | |
| Bismarck State College | | $355,071 | | | | |
| Lake Region State College | | 147,480 | | $569,686 | | |
| Williston State College | | 128,355 | | | | |
| University of North Dakota | | 1,835,887 | | 616,332 | ($36,000,000) | |
| UND Medical Center | | 729,245 | | | | |
| North Dakota State University | | 1,608,770 | | 4,537,253 | | ($4,800,000) |
| State College of Science | | 635,024 | | 1,005,347 | | |
| Dickinson State University | | 224,803 | | | | |
| Mayville State University | | 204,942 | | | | |
| Minot State University | | 450,304 | | | | |
| Valley City State University | | 260,792 | | | | |
| Dakota College at Bottineau | | 108,903 | | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total general fund | ($46,934,058) | $6,689,576 | $0 | $6,728,618 | ($36,000,000) | ($4,800,000) |

| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total the General Fund Changes |
|---|---|---|---|---|
| University System Office | | | | ($46,934,058) |
| Bismarck State College | $4,960,000 | | | 5,315,071 |
| Lake Region State College | | | | 717,166 |
| Williston State College | | | | 128,355 |
| University of North Dakota | 5,000,000 | | | (28,547,781) |
| UND Medical Center | | | | 729,245 |
| North Dakota State University | | | | 1,346,023 |
| State College of Science | | | | 1,640,371 |
| Dickinson State University | 1,600,000 | | | 1,824,803 |
| Mayville State University | | | | 204,942 |
| Minot State University | 1,600,000 | | | 2,050,304 |
| Valley City State University | | | | 260,792 |
| Dakota College at Bottineau | | | | 108,903 |
| Forest Service | | $63,100 | | 63,100 |
| Bank of North Dakota | | | | |
| Total general fund | $13,160,000 | $63,100 | $0 | ($61,092,764) |

## House Bill No. 1003 - Other Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $25,757,035 | $26,629,233 | ($385,125) | $26,244,108 |
| Bismarck State College | 70,409,893 | 104,810,627 | (23,531,046) | 81,279,581 |
| Lake Region State College | 25,271,428 | 26,926,556 | 602,211 | 27,528,767 |
| Williston State College | 24,019,535 | 68,850,090 | 180,837 | 69,030,927 |
| University of North Dakota | 755,657,771 | 974,271,737 | (61,810,129) | 912,461,608 |
| UND Medical Center | 160,806,249 | 166,588,967 | 1,325,144 | 167,914,111 |
| North Dakota State University | 625,417,100 | 755,918,135 | 4,605,516 | 760,523,651 |
| State College of Science | 60,845,052 | 83,058,003 | (19,573,384) | 63,484,619 |
| Dickinson State University | 30,992,408 | 50,414,027 | 1,263,943 | 51,677,970 |
| Mayville State University | 32,282,440 | 84,015,644 | 286,475 | 84,302,119 |
| Minot State University | 64,047,767 | 79,552,328 | (4,915,909) | 74,636,419 |
| Valley City State University | 26,377,846 | 63,314,690 | (13,252,269) | 50,062,421 |
| Dakota College at Bottineau | 14,216,200 | 20,055,822 | 595,125 | 20,650,947 |
| Forest Service | 10,669,315 | 19,139,209 | 2,063 | 19,141,272 |
| Bank of North Dakota | | | 10,000,000 | 10,000,000 |
| Total other funds | $1,926,770,039 | $2,523,545,068 | ($104,606,548) | $2,418,938,520 |

## Detail of Senate Changes to Other Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($385,125) | | | | | |
| Bismarck State College | | | $528,954 | | | |
| Lake Region State College | | | 202,211 | | | |
| Williston State College | | | 180,837 | | | |
| University of North Dakota | | | 5,689,871 | | | |
| UND Medical Center | | | 1,325,144 | | | |
| North Dakota State University | | | 4,605,516 | | | |
| State College of Science | | | 401,616 | | | |
| Dickinson State University | | | 263,943 | | | |
| Mayville State University | | | 286,475 | | | |
| Minot State University | | | 684,091 | | | |
| Valley City State University | | | 247,731 | | | |
| Dakota College at Bottineau | | | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total other funds | ($385,125) | $0 | $14,511,514 | $0 | $0 | $0 |

| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total Other Funds Changes |
|---|---|---|---|---|
| University System Office | | | | ($385,125) |
| Bismarck State College | ($24,060,000) | | | (23,531,046) |
| Lake Region State College | 400,000 | | | 602,211 |
| Williston State College | | | | 180,837 |
| University of North Dakota | (67,500,000) | | | (61,810,129) |
| UND Medical Center | | | | 1,325,144 |
| North Dakota State University | | | | 4,605,516 |
| State College of Science | (19,975,000) | | | (19,573,384) |
| Dickinson State University | 1,000,000 | | | 1,263,943 |
| Mayville State University | | | | 286,475 |
| Minot State University | (5,600,000) | | | (4,915,909) |
| Valley City State University | (13,500,000) | | | (13,252,269) |
| Dakota College at Bottineau | 500,000 | | | 595,125 |
| Forest Service | | $2,063 | | 2,063 |
| Bank of North Dakota | | | $10,000,000 | 10,000,000 |
| Total other funds | ($128,735,000) | $2,063 | $10,000,000 | ($104,606,548) |

## House Bill No. 1003 - All Funds Summary

| | Base Budget | House Version | Senate Changes | Senate Version |
|---|---|---|---|---|
| University System Office | $142,655,511 | $236,706,896 | ($47,319,183) | $189,387,713 |
| Bismarck State College | 102,493,948 | 141,013,611 | (18,215,975) | 122,797,636 |
| Lake Region State College | 39,513,580 | 42,136,398 | 1,319,377 | 43,455,775 |
| Williston State College | 35,306,272 | 82,009,207 | 309,192 | 82,318,399 |
| University of North Dakota | 906,584,896 | 1,198,001,089 | (90,357,910) | 1,107,643,179 |
| UND Medical Center | 228,929,208 | 246,725,638 | 2,054,389 | 248,780,027 |
| North Dakota State University | 763,848,425 | 920,309,083 | 5,951,539 | 926,260,622 |
| State College of Science | 96,559,844 | 121,371,653 | (17,933,013) | 103,438,640 |
| Dickinson State University | 51,235,138 | 74,317,834 | 3,088,746 | 77,406,580 |
| Mayville State University | 50,962,268 | 105,818,246 | 491,417 | 106,309,663 |
| Minot State University | 105,254,397 | 126,949,121 | (2,865,605) | 124,083,516 |
| Valley City State University | 50,539,223 | 90,901,990 | (12,991,477) | 77,910,513 |
| Dakota College at Bottineau | 23,754,062 | 31,247,197 | 704,028 | 31,951,225 |
| Forest Service | 15,461,793 | 24,714,730 | 65,163 | 24,779,893 |
| Bank of North Dakota | | | 10,000,000 | 10,000,000 |
| Total all funds | $2,613,098,565 | $3,442,222,693 | ($165,699,312) | $3,276,523,381 |
| FTE | 6,533.99 | 6,605.91 | 1.00 | 6,606.91 |

## Detail of Senate Changes to All Funds

| | Adjusts Funding for University System Office[1] | Provides Funding Formula Adjustments[2] | Adjusts Special Funds[3] | Adds Funding for Adjusted Minimum Amount Payable[4] | Reduces Funding for National Security Initiative[5] | Removes Funding for Workforce Education[6] |
|---|---|---|---|---|---|---|
| University System Office | ($47,319,183) | | | | | |
| Bismarck State College | | $355,071 | $528,954 | | | |
| Lake Region State College | | 147,480 | 202,211 | $569,686 | | |
| Williston State College | | 128,355 | 180,837 | | | |
| University of North Dakota | | 1,835,887 | 5,689,871 | 616,332 | ($36,000,000) | |
| UND Medical Center | | 729,245 | 1,325,144 | | | |
| North Dakota State University | | 1,608,770 | 4,605,516 | 4,537,253 | | ($4,800,000) |
| State College of Science | | 635,024 | 401,616 | 1,005,347 | | |
| Dickinson State University | | 224,803 | 263,943 | | | |
| Mayville State University | | 204,942 | 286,475 | | | |
| Minot State University | | 450,304 | 684,091 | | | |
| Valley City State University | | 260,792 | 247,731 | | | |
| Dakota College at Bottineau | | 108,903 | 95,125 | | | |
| Forest Service | | | | | | |
| Bank of North Dakota | | | | | | |
| Total all funds | ($47,319,183) | $6,689,576 | $14,511,514 | $6,728,618 | ($36,000,000) | ($4,800,000) |
| FTE | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | Adjusts Funding for Capital Projects[7] | Adjusts Forest Service Funding[8] | Adds Funding for Economic Diversification Research Grants[9] | Total All Funds Changes |
|---|---|---|---|---|
| University System Office | | | | ($47,319,183) |
| Bismarck State College | ($19,100,000) | | | (18,215,975) |
| Lake Region State College | 400,000 | | | 1,319,377 |
| Williston State College | | | | 309,192 |
| University of North Dakota | (62,500,000) | | | (90,357,910) |
| UND Medical Center | | | | 2,054,389 |
| North Dakota State University | | | | 5,951,539 |
| State College of Science | (19,975,000) | | | (17,933,013) |
| Dickinson State University | 2,600,000 | | | 3,088,746 |
| Mayville State University | | | | 491,417 |
| Minot State University | (4,000,000) | | | (2,865,605) |
| Valley City State University | (13,500,000) | | | (12,991,477) |
| Dakota College at Bottineau | 500,000 | | | 704,028 |
| Forest Service | | $65,163 | | 65,163 |
| Bank of North Dakota | | | $10,000,000 | 10,000,000 |
| Total all funds | ($115,575,000) | $65,163 | $10,000,000 | ($165,699,312) |
| FTE | 0.00 | 0.00 | 0.00 | 1.00 |

[1] Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

**System Governance**

| | FTE Positions | General Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Salary increase | 0 | $145,345 | $5,459 | $150,804 |
| Health insurance increase | 0 | (2,532) | (118) | (2,650) |
| New vice chancellor position | 1.00 | 425,000 | 0 | 425,000 |
| Salaries funding source change | 0 | 561,327 | (561,327) | 0 |
| Financial aid staff | 0 | (125,000) | 0 | (125,000) |
| New financial aid system one-time costs | 0 | 115,000 | 0 | 115,000 |
| Total | 1.00 | $1,119,140 | ($555,986) | $563,154 |

The following schedule details funding adjustments for core technology services:

**Core Technology Services**

| | General Fund | Other Funds | Total Funds |
|---|---|---|---|
| Salary increase | $355,691 | $176,319 | $532,010 |
| Health insurance increase | (8,889) | (5,458) | (14,347) |
| Software and a security operations center | (1,500,000) | 0 | (1,500,000) |
| Total | ($1,153,198) | $170,861 | ($982,337) |

The following schedule details general fund adjustments in other line items in the University System office budget:

| | House Version | Senate Version | Change |
|---|---|---|---|
| Student financial assistance grants | $35,917,306 | $29,917,306 | ($6,000,000) |
| Tribally controlled community college grants | 2,000,000 | 1,400,000 | (600,000) |
| Challenge grants (one-time) | 36,000,000 | 20,000,000 | (16,000,000) |
| Severance agreement (one-time) | 0 | 300,000 | 300,000 |
| Passthrough grants (one-time) | 20,100,000 | 0 | (20,100,000) |
| Single parent support (one-time) | 4,500,000 | 0 | (4,500,000) |
| Total | $98,517,306 | $51,617,306 | ($46,900,000) |

[2] The following adjustments are made to institution general fund appropriations through the higher education funding formula:

**General Fund Adjustments**

| | Formula Adjustment | Salary Increase | Health Insurance Decrease | Total Increase |
|---|---|---|---|---|
| Bismarck State College | $0 | $369,687 | ($14,616) | $355,071 |
| Dakota College at Bottineau | 0 | 113,287 | (4,384) | 108,903 |
| Lake Region State College | 0 | 153,406 | (5,926) | 147,480 |
| State College of Science | 231,285 | 419,719 | (15,980) | 635,024 |
| Williston State College | 0 | 132,726 | (4,371) | 128,355 |
| Dickinson State University | 0 | 233,352 | (8,549) | 224,803 |
| Mayville State University | 0 | 213,346 | (8,404) | 204,942 |
| Minot State University | 0 | 468,250 | (17,946) | 450,304 |
| Valley City State University | 0 | 273,761 | (12,969) | 260,792 |
| North Dakota State University | 0 | 1,663,524 | (54,754) | 1,608,770 |
| University of North Dakota | 0 | 1,880,889 | (45,002) | 1,835,887 |
| UND School of Medicine | 0 | 749,087 | (19,842) | 729,245 |
| Total | $231,285 | $6,671,034 | ($212,743) | $6,689,576 |

Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates. The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[3] The following adjustments are made to institution other funds appropriations:

**Other Funds Adjustments**

| | Salary Increase | Health Insurance Adjustment | Total |
|---|---|---|---|
| Bismarck State College | $550,866 | ($21,912) | $528,954 |
| Dakota College at Bottineau | 99,613 | (4,488) | 95,125 |
| Lake Region State College | 209,775 | (7,564) | 202,211 |
| State College of Science | 419,623 | (18,007) | 401,616 |
| Williston State College | 187,102 | (6,265) | 180,837 |
| Dickinson State University | 274,835 | (10,892) | 263,943 |
| Mayville State University | 302,911 | (16,436) | 286,475 |
| Minot State University | 710,937 | (26,846) | 684,091 |
| Valley City State University | 259,853 | (12,122) | 247,731 |
| North Dakota State University | 4,773,896 | (168,380) | 4,605,516 |
| University of North Dakota | 5,888,793. | (198,922) | 5,689,871 |
| UND School of Medicine | 1,356,739 | (31,595) | 1,325,144 |
| Total | $15,034,943 | ($523,429) | $14,511,514 |

[4] Funding is added as follows for an adjusted minimum amount payable, to provide for a maximum reduction of $1 million under the funding formula for the University of North Dakota and North Dakota State University and for a 100 percent minimum amount payable for the remaining institutions:

| | General Fund |
|---|---|
| Lake Region State College | $569,686 |
| University of North Dakota | 616,332 |
| North Dakota State University | 4,537,253 |
| North Dakota State College of Science | 1,005,347 |
| Total | $6,728,618 |

[5] One-time funding is reduced by $36 million from the general fund to provide a total of $9 million for the University of North Dakota national security initiative. The House provided $45 million for the national security initiative.

[6] One-time funding of $4.8 million from the general fund added by the House for workforce education at North Dakota State University is removed by the Senate.

[7] One-time funding is adjusted for the following capital building projects:

| | General Fund | Strategic Investment and Improvements Fund | Other Funds | Total Funds |
|---|---|---|---|---|
| Removes funding for BSC multipurpose academic and athletic center | 0 | ($29,900,000) | ($1,600,000) | ($31,500,000) |
| Adds funding for BSC polytechnic building inflation | $4,960,000 | | 7,440,000 | 12,400,000 |
| Increases funding for LRSC wind turbine gearbox and parking lot | 0 | 0 | 400,000 | 400,000 |
| Adjusts funding for WSC medical healthcare building | 0 | (8,787,947) | 8,787,947 | 0 |
| Removes funding for UND science, technology, engineering, and math building | 0 | (52,000,000) | (23,000,000) | (75,000,000) |
| Provides funding for UND Merrifield Hall and Twamley Hall inflation | 5,000,000 | 0 | 7,500,000 | 12,500,000 |
| Removes funding for NDSCS agriculture, automation, and autonomous systems building | 0 | (18,975,000) | (1,000,000) | (19,975,000) |
| Provides funding for DSU generator and other projects inflation | 1,600,000 | 0 | 1,000,000 | 2,600,000 |
| Adjusts funding for MaSU Old Main renovation | 0 | (7,770,100) | 7,770,100 | 0 |
| Removes funding for MiSU academic building | 0 | (7,600,000) | (400,000) | (8,000,000) |
| Provides funding for MiSU Hartnett Hall inflation | 1,600,000 | 0 | 2,400,000 | 4,000,000 |
| Removes funding for VCSU McCarthy Hall | 0 | (11,500,000) | (2,000,000) | (13,500,000) |
| Increases funding for DCB Old Main renovation | 0 | (1,000,000) | 1,500,000 | 500,000 |
| Total capital projects | $13,160,000 | ($137,533,047) | $8,798,047 | ($115,575,000) |

[8] Salaries and wages funding for the Forest Service is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

| | General Fund | Other Funds | Total |
|---|---|---|---|
| Salary increase | $66,058 | $2,181 | $68,239 |
| Health insurance adjustment | (2,958) | (118) | (3,076) |
| Total | $63,100 | $2,063 | $65,163 |

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[9] One-time funding of $10 million from the economic diversification research fund is appropriated to the Bank of North Dakota for grants to institutions under the control of the state board of higher education. The funding is transferred to the economic diversification research fund from the strategic investment and improvements fund.

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### House Bill No. 1003 - Other Changes - Senate Action

This amendment also:

- Removes a separate appropriation section for the Mayville State University Old Main project. The project appropriation is moved to Section 1 of the bill.
- Reduces funding for projects from the strategic investment and improvements fund (SIIF) by $137,533,047 to provide a total of $205,727,053 from SIIF for capital projects.
- Removes a section identifying $4.8 million from the general fund for workforce education at North Dakota State University.
- Removes a section identifying $4.5 million from the general fund for student support for single mothers.
- Adjusts the source of funds for the reimbursement of a North Dakota State University severance agreement to provide $300,000 from the general fund and the remainder from the University System office carryover funding.
- Reduces transfers from Bank of North Dakota profits to the career builders program from $15 million to $6.8 million.
- Adds sections to transfer $10 million from SIIF to a newly created economic diversification research fund.
- Adjusts the projects authorized to use funding from each institution's allocation in the University System capital building fund.
- Removes certain limitations on future institution requests for capital project funding.
- Removes a section allowing for a transfer of appropriation authority between the University of North Dakota and the School of Medicine and Health Sciences.
- Adjusts a section to provide for the commissioner of the North Dakota University System to provide an annual

report to the Legislative Management instead of the Budget Section.

- Removes a section requiring future severance agreements to be paid from the University System office budget and for the agreements to be approved by the Emergency Commission and Budget Section.
- Removes a section requiring the State Board of Higher Education to approve or deny a request for a new academic program within 30 days.
- Adjusts the funding available to each institution under the challenge grant program and restores limitations on the use of state matching funds.
- Adjusts the base funding rate under the higher education funding formula to provide for a 6 percent salary increase on July 1, 2023.
- Reduces the increase in the maximum grant award under the student financial assistance grants program.
- Exempts certain capital projects from matching requirements under the University System capital building fund program.
- Clarifies that funding appropriated during the November 2021 special session for the University of North Dakota Merrifield Hall project also may be used for a renovation of Twamley Hall.
- Provides for a Legislative Management study of dual-credit funding.
- Provides for a Legislative Management study of artificial intelligence impacts.
- Clarifies that the tuition increase limitation does not include a limitation on fees charged to students.
- Clarifies that both dental hygiene and dental assistant credits should be placed under the career and technical education program classification within the higher education funding formula.
- Provides an emergency declaration for capital projects.

**2023 - 2027 Institution Capital Projects Plan**
**Revised 04/06/2023**

| Higher Ed Rating | Institution | Project Title | Project Total | Funding Source | | | Project Type |
|---|---|---|---|---|---|---|---|
| | | | | General Funds | Capital Building Funds (12) | Local Match | |
| | **Phase 1: 2023 - 2025** | | | | | | |
| 1 | DCB | Old Main/Center for Rural Health Education | 5,300,000 | 3,300,000 | 1,000,000 | 1,000,000 | Major renovation to existing facility |
| 1 | LRSC | Wind Turbine Gearbox Replacement | 1,000,000 | 0 | 1,000,000 | 0 | Equipment repair & parking lot |
| 1 | MaSU | Old Main Renovation | 49,900,000 | 15,000,000 | 2,330,087 | 0 | |
| 1 | MiSU | Dakota Residence Hall Demolition | 765,000 | 765,000 | 0 | 0 | Removal of facility |
| 7 | NDSCS | Agriculture, Automation & Autonomous Systems | 19,975,000 | 18,975,000 | 0 | 1,000,000 | Major renovation to existing facilities and new construction |
| 3 | NDSU | Center for Engineering & Computational Sciences | 84,000,000 | 59,000,000 | 0 | 25,000,000 | New construction with major renovation to existing facility |
| | UND | STEM Building | 75,000,000 | 52,000,000 | 0 | 23,000,000 | |
| 4 | VSCU | McCarthy Hall Renovation | 13,500,000 | 10,474,918 | 1,025,082 | 2,000,000 | |
| 2 | DSU | Agriculture & Technical Education Buildings | 18,000,000 | 17,100,000 | | 900,000 | |
| | **Phase 1 Total** | | **235,940,000** | **176,614,918** | **5,355,169** | **50,000,000** | |
| | **Phase 2: 2025 - 2027** | | | | | | |
| 1 | MaSU | Old Main Renovation | 34,900,000 | 32,569,913 | 0 | 1,600,000 | |
| 5 | UND | Science, Engineering & Natural Security Corridor | 82,000,000 | 57,400,000 | 0 | 24,600,000 | Renovation, removal and planning |
| 6 | BSC | Multipurpose Academic & Performance Center | 31,500,000 | 29,900,000 | 0 | 1,600,000 | New construction with demolition of existing facility |
| | MiSU | MiSU Academic | 8,000,000 | 7,600,000 | 0 | 400,000 | Nursing, computer science, math, science |
| 8 | WSC | Medical Healthcare Building | 36,600,000 | 34,112,053 | 637,947 | 1,850,000 | New construction |
| | **Phase 2 Total** | | 193,000,000 | 161,581,966 | 637,947 | 30,050,000 | |
| | | **State General Fund Projects Overall Total** | **428,940,000** | **338,196,884** | **5,993,116** | **80,050,000** | |
| | 1 | Four year capital project plan: 07/01/2023 - 06/30/2027 | | | | | |
| | 2 | NDUS could not request any capital construction projects for the 4 year period. | | | | | |
| | 3 | NDUS could approve projects that are 100% funded through local or other special funds during the 4 year period including Residence Halls, etc. | | | | | |
| | 4 | Universities/colleges are required to have the local pledge/other funds secured before any General Funds can be disbursed for the projects. | | | | | |
| | 5 | Universities/colleges will have four years to obtain local/special funds. | | | | | |
| | 6 | Any inflationary or other costs that exceed the project total would have to be paid through local/special funds and the obligation of the state would remain as detailed above. | | | | | |
| | 7 | The cost of the project can be less than the project total as detailed above. However, the local match percentage requirement will still remain the same and correlate to the project total. | | | | | |
| | 8 | Other funds can be used for the planning process of a project. However, the amount spent for the planning and etc. can not be counted toward the local match. | | | | | |
| | 9 | Any additional funds over the local match requirement can be used for the project. | | | | | |
| | 10 | The Capital projects for the total four years would be appropriated during the 2023-2025 biennium. | | | | | |
| | 11 | Funding source would be through the SIIF (Strategic Investment and Improvement Fund). | | | | | |
| | 12 | DCB- $1,000,000 Tier III 2019-21 & Tier III 2023-25; MaSU -$1,110,000 Tier II & III 2019-21, 2021-23 & 2023-25; VCSU-$1,025,082 Tier III 2019-21; Tier II 2021-23 & Tier III 2023-25; LRSC-$1,000,000 Tier III 2021-23 & Tier III 2023-25. | | | | | |

| | Capital Building Funds | |
|---|---|---|
| DCB | 1,000,000 | 19-21- $500,000; 23-25 $500,000 |
| MaSU | 2,330,087 | 19-21- $610,029; 21-23 $740,029; ~~23-25 $980,058~~ |
| VCSU | 1,025,082 | 19-21-$415,945; 21-23-$109,137; 23-25-$500,000. |
| WSC | 637,947 | 21-23-$637,947 |
| LRSC | 1,000,000 | 21-23-$500,000; 23-25-$500,000. |
| Total | 5,993,116 | |

| Institution | Project | Special Session 2021 SB2343 Appropriation | Inflation Increase Request | 40% of Inflation Request |
|---|---|---|---|---|
| BSC | Polytechnic Building | $ 35,000,000 | $ 12,400,000 | $ 4,960,000 |
| MiSU | Hartnett Hall | 25,000,000 | 4,000,000 | 1,600,000 |
| UND | Merrifield/Twamley Hall | 50,000,000 | 12,500,000 | 5,000,000 |
| | | $ 110,000,000 | $ 28,900,000 | $ 11,560,000 |

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

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# State-Funded Financial Aid & Workforce Development Programs
# Existing & New Legislation

Updated 3/20/2023
Prepared by: Brenda Zastoupil, NDUS

In compiling the list of state-funded student-based financial aid, workforce development, and education enhancing programs, the ND University System (NDUS) found 29 various programs administered by seven state agencies. The programs were divided into one of two categories, existing core student aid programs and workforce development programs. The review did not include programs funded through federal sources and only included known programs.

**Recommendation:**
Consider a study during the interim to evaluate the various programs that agencies administer that includes the following:

- What is the program's purpose?
- Are there other state or non-state-funded programs that serve a similar purpose?
- Who/what does the program assist?
- What are other states offering (if available)?
- What are the requirements to receive the award?
- What is the projected growth/needs?
- How many students are served by the program and amount?

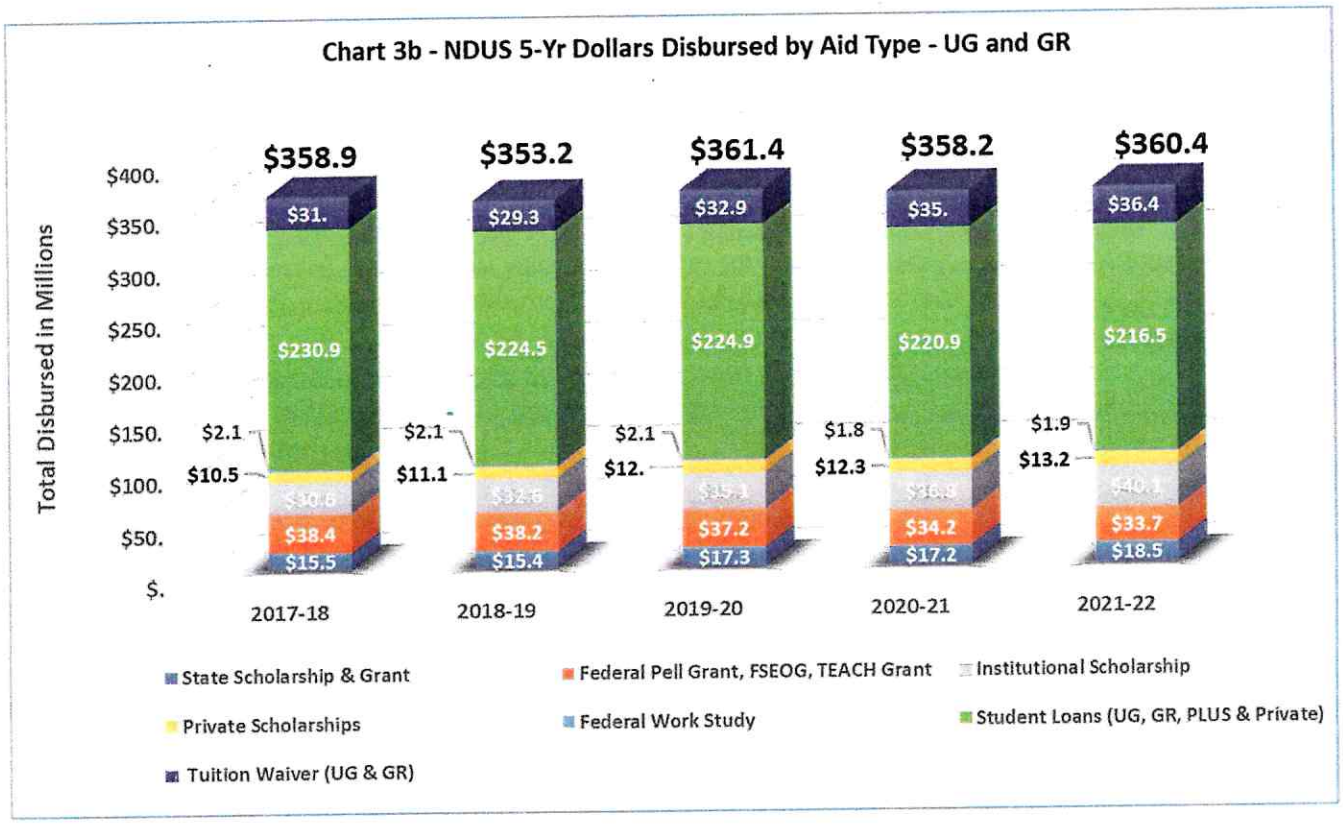
**New Program Proposals:**

- Maintain existing programs within the agencies currently administering the programs.
- NEW PROPOSED WORKFORCE PROGRAMS (noted in red on attached charts)
    - Review "Workforce Development Programs" pages 2-4 of the attached to determine consistencies or departures from legislative intent for state-funded workforce programs.
    - Determine how new legislation and/or funding increases fit Legislative intent.
    - Align/consolidate new programs into existing programs where appropriate.
    - Review the administering agency for new programs to determine best fit for legislative intent.
    - Consider how the new proposed bills align with intent.

Attachments: NDUS 5-YR Financial Aid Award Summary – All Aid Sources
Funding Summary Request
Supplemental Detail
ND Career Builders Statistics and In-Demand List

The five-year summary shows that NDUS students receive the following aid:

- 60% of the funding received by NDUS students is in the form of student loans;
- 12% is in the form of federal grants (Pell, FSEOG, TEACH);
- 12% comes from institutional scholarships;
- 4% from private-donated scholarships;
- 6% from state-funded scholarships and grants;
- The remaining is from Federal Work Study and tuition waivers.



**FUNDING SUMMARY (3/20/2023)**

| Source | 20[illegible]3 Base | New Funding Request | 2023-25 Total Request | Comments |
|---|---|---|---|---|
| rant) – | $23,917,306 | ~~$12,000,000~~ 6,000,000 | $35,917,306 | $3M cut by 49 million<br>HB1003<br>Need-based grant;<br>Average of 6,100 students per year; $12M increases award from $1,100/sem. to $1,650 while still funding 6,100 per year; Last increased in 2019 |
| | $1,807,115 | $0 | $1,807,115 | HB1003<br>Premier merit-based award;<br>Average of 30 new awards per year plus renewals; Full time UG tuition for up to 8 sem. with 3.5GPA for renewal |
| / NDUS | $16,216,749 | $1,000,000 | $17,216,749 | HB1003<br>Merit-based state scholarship;<br>Average of 5,230 per year paid; 22% of high school senior qualify; $1M increase to fund growth and additional awards for apprenticeships (HB1382); Awards may NOT be reduced if shortfall occurs. |
| | $555,323 | $444,677 | $1,000,000 | HB1003<br>Merit or need-based;<br>Average of 270 per year awarded;<br>$444.7K inc. will allow for awards to be closer to the statutory max. of $2K/year (2022 UG amt only $1,130 due to volume of applicants.) |
| NDUS | $1,500,000 (one-time funding) | $1,500,000 | $1,500,000 | HB1003<br>Created 2021-Addl. incentive for taking DC in high school; Provides scholarship in college;<br>$1.485M awarded to-date to 2,775 students;<br>HB1030 allows award for DC taken at non-NDUS institutions. |
| | $1,000,000 | ~~$1,000,000~~ 400,000 gets us to Federal Rate | $2,000,000 | HB1003<br>Non-beneficiary supplemental grant;<br>Tribal presidents requested the $1M increase;<br>Awarded based on federal ISC payment rate * FTE non-beneficiary enrollment. Historically not able to award at this rate due to funding shortfall;<br>$1M increase would push these awards beyond the federal rate (i.e., In 21-22 the ISC rate was **$8,676**. Based on 82.7 FTE, at $1M, we would have paid out at a rate of **$12,091.90** per FTE. The ISC rate would have cost $717,505 but we would have issued $1M. NDUS is required to issue full appropriation each biennium, even if over the ISC rate. **See NDCC 15-70-04, subsection 3.** |
| | $3,699,342 | $0 | $3,699,342 | HB1003<br>Secure admission to out-of-state institutions for professional programs of veterinary medicine, optometry, and dentistry;<br>Approximately 27 new plus ongoing students each year for up to 4 years. |
| NDUS | $260,000 | $0 | $260,000 | HB1003<br>UND and NDSU each awarded $130K per biennium to promulgate additional doctoral level graduates and doctoral programs. |

**FUNDING SUMMARY (3/20/2023)**

| Source | 2021-23 Base | New Funding Request | 2023-25 Total Request | Comments |
|---|---|---|---|---|
| :– | $4,500,000 (continuing appropriation) | ~~$15,000,000~~ ~~$15M~~ 6.8 million | $18,504,590 (est. $3.6M in continuing appropriation remaining to award 6/30/23) $10 M | HB1003<br>Workforce development program; partnership with business; private-sector match required $1-$1; either a scholarship or loan rep., or both, up to a maximum of $17K per recipient.<br>202 scholarships awarded @ avg $7,754; 88 loan repayment @ avg $14,608.<br>92 unique scholarship donors; 30 unique loan repayment donors.<br>Est. $3.6M remaining @ end of 21-23 bien (continuing approp.)<br>Actual growth rate between 58% - 105% annually.<br>At 57% growth rate, $13.0M est. state $ bal. at the end of 25-27 biennium (assume $15M approp.)<br>At 93% growth rate, $8.4M est. state $ bal. at the end of 25-27 biennium (assume $15M approp.) |
| | $11,150,000 (one-time funding) | $36,000,000 $18M | $36,000,000 | HB1003<br>Approx. 3X current appropriation; moves Law School $250K to UND allocation; provides $4M each for SMHS and NDSU SBARE. |
| | **$64,605,835** | **$66,944,677** | **$117,700,512** | |
| ported & | - | ~~$5,125,000~~ (includes $125,000 for 1 FT position and marketing) | $5,125,000 | SB2197<br>HB1003<br>Scholarship to recruit and retain individuals into oil & gas industry. May be provided to employee or an immediate family member of a current employee. Requires 12 months. of employment within past 36 months. |
| n – | - | ~~$250,000~~ | $250,000 | SB2288<br>$1/$2 matching grant for accredited institutions in the state for the advancement of academics for nursing programs. |
| ive | - | ~~$4,500,000~~ | 4,500,000 | HB1003<br>$250K to any public, tribal or U-Mary or U-JMS to provide support to students who are pregnant or single mothers. Funding may be used for on-campus room/board and the costs of on-campus day care. This must be accounted for as estimated financial aid under federal Title IV regulation. |
| DUS) | - | **$9,875,000** | **$9,875,000** | |
| ered) | - | ~~$5,000,000~~ 3.5 | $5,000,00 | HB1307<br>Workforce retention and recruitment tool for law enforcement. |
| tered) | - | $3,000,000 | $3,000,000 | SB2032<br>Assist accredited ND institutions with training paras to become qualified teachers. Proven program through use of ESSER funds, which will be expended 9/30/24. |
| – DPI 3 | - | $3,000,000 | $3,000,000 | SB2033<br>Student loan repayment for qualified high demand teaching positions.<br>Recommend naming is loan "repayment" as DPI cannot forgive student loans, but issues repayment for qualifying teachers. |
| THER | - | **$11,000,000** | **$11,000,000** | |
| | **$64,605,835** | **$87,819,677** | **$138,575,512** | |

**State-Funded Student Financial Aid and Workforce Development Programs – Supplemental Additional Detail**
**Existing and Proposed Legislation (Includes only known state funded programs)**
Updated 3/20/2023

| Existing Core Student Financial Aid Programs | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | |
| **Student Financial Assistance Grants (ND State Grant) (est. 1973)** | Needs-based | Max. $1100/sem. or $733/quarter<br># Approx. 6,100/yr. | **NDUS** | 1003 | $23,917,306 | $12,000,000 (general fund) | Increase pro<br>$1,100/sem.<br>of award of a |
| **Academic/CTE/ND Scholarships (est. 2009)** | Merit-based | $750/sem. or $500/qtr. or clock hour<br># Approx 5,230/yr. | **NDUS** | 1003<br>1030<br>1305<br>1382 | $16,216,749 | $1,000,000 (general fund) | Increase of $<br>the scholarsh<br>(HB1382).<br>Amendments |
| **ND Indian Scholarship (est. 1963)** | Merit or Need-based | Max of $2,000 per year<br># Approx 270/yr. | **NDUS** | 1003<br>1030 | $555,323 | $444,677 (general fund) | Included in G<br>per student a<br>Amendments |
| **Tribally Controlled Colleges Assistance Grant** | Award to tribal colleges for non-beneficiary enrollment – may be used for various expenses | Based on FTE non-beneficiary enrollment; awarded to the 5 tribal institutions in the state | **NDUS** | 1003 | $1,000,000 | $1,000,000 (general fund) | Tribal institut |
| **ND Scholars (est. 1989)** | Premier Merit-based | Full regular UGRD tuition for up to 8 sem./12 qtrs.<br>#Approx 30 new/yr. plus on-going | **NDUS** | 1003<br>1030 | $1,807,115 | $0 | Continue at s<br>awards per y<br>Amendments |
| **Dual Credit Tuition Scholarship (est. 2021)** | For post-secondary enrollment; Incentive to take DC in high school | Max $750 lifetime<br>#2725 as of 2.3.2023 | **NDUS** | 1003<br>1030 | One-time funding in 21-23 biennium of $1.5M | $1,500,000 (BND) | $1.5M one-ti<br>utilized.<br>Amendments |
| **Dual Credit Assistance Program** | Offered to high school students; Covers the cost for up to 2 DC courses per year for high school SO, JR, SR who participate in free or reduced lunch | Covers the cost for up to 2 DC courses per year for high school SO, JR, SR who participate in free or reduced lunch | **BND** | - | - | - | Funded and a |
| **Challenge Grants** | Matching grants for institutions | Varies | **NDUS** | 1003<br>1033 | $11,150,000 | $36,000,000 (general fund) | Approximatel<br>School $250,(<br>SMHS and ND |
| **Education Incentive Programs** | Promulgate graduate studies and programs in the state | $130,000 each per biennium to UND and NDSU | **NDUS** | 1003 | $260,000 | $0 | Continue at s<br>research in th |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Awarded | Administering Agency | Match Required? | Residency Requirements | Service Required to State | Program or Occupation | Bill Number(s) | Base Appropriation | New Funding Request | Comments |
| fetime<br>:ludes<br>or match;<br><br>= 199<br>ɪ=$1.55M<br>= $7,785 | **NDUS** | YES - $1/$1 | Reside in ND 3 years following program completion | YES – 3 years in an in-demand occupation | Programs @ 2 yr. or below, including certificates relating to Job Service defined in-demand occupations | 1003<br>1030 | $2.25 million; Funded by BND w/continuing appropriation; Est. $3.3M remaining at the end of the 21-23 biennium | $7.5M Scholarship and $7.5M Loan Repayment for a total of $15,000,000 (BND funded) | Increase provides for growth of the program over the next 2 biennium.<br>Procedural edits providing for the last 2 years of bachelor's program (scholarship) and an expansion of matching funds to public dollars, is anticipated to grow NDCB.<br>HB1030 amendments are procedural. |
| ifetime<br>:ludes<br>:or match;<br><br>= 86<br>ɪ=$1.3M<br>= $15,115 | **NDUS** | YES - $1/$1 | Reside in ND from time of application | YES – 3 years in an in-demand occupation | Any degree if employed in a Job Service defined in-demand occupation | 1003<br>1030 | $2.25 million; Funded by BND w/continuing appropriation; Est. $3.3M remaining at the end of the 21-23 biennium | | |
| ɹeen<br>141,120<br>ɪepending<br>ɪ;<br>wards per<br><br>12<br>= 8<br>7 | **NDUS** | NO | ND residency est. at least 1 yr. PRIOR to the priority appl. date of 10/15 | NO | Veterinary medicine, dentistry, optometry | 1003 | 3,699,342 | $0 | Continue at same level. |
| r<br>ɪp to<br>r family | **NDUS** | NO | ND resident – generally 12 months | NO | Any program of study at a NDUS institution | 1003<br>2197 | - | $5,125,000 + *$125,000 for 1 FT position and marketing.* | New program. |
| a min.<br>25,000 | **NDUS** | YES - $1/$2 | NO – awarded to qualifying ND institutions | n/a – awarded to qualifying ND institutions | Nursing programs at accredited institutions in the state | 2288 | - | $250,000 | New program. |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriatio** |
| Student Support for Single Mothers Program – pilot | Support for pregnant or single mothers with a children under 4 yrs. of age | On-campus room/board and the costs of on-campus daycare | **NDUS** | NO | Applicant must be residing in the state | NO | Open | 1003 | - |
| **Public Health Loan Repayment** | Student loan repayment for health care professionals | Varies | **DHHS** | | | | | 2344 | Unknown |
| **Veterinarian Loan Repayment** | Student Loan Repayment | Up to $80,000 over 4 years. | **DHHS** | | | | | ? | Unknown |
| **Dental Loan Repayment** | Student Loan Repayment | Up to $100,000 over 5 years. | **DHHS** | | | | | ? | Unknown |
| **RN Loan Repayment** | Registered nurses student loan repayment | Up to $4,000 per year for 5 years | **DHHS** | | | | | ? | Unknown |
| Back The Blue Grant (NEW) | WF retention & recruitment tool for law enforcement | Varies | **Attorney General's Office** | NO | NO – issued to law enforcement agency for bonuses, tuition/fee payments, equipment costs | NO | Law enforcement | 1307 | - |
| **Tribal Colleges Grants** | WF training and entrepreneurial assistance | | **Dept. of Commerce** | | | | | ? | Unknown |
| **Technical Skills Training Grant** | Supports training of non-degree reskilling programs and expanding capacity of existing programs | | **Dept. of Commerce** | | | | | ? | Unknown |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriation** | **New Funding Request** | **Comments** |
| | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| | **Dept. of Commerce** | | | | | ? | Unknown | Unknown | - |
| institution /admin inder for olarships | **DPI** | NO – awarded to qualifying ND institutions (no requireme nt to have a physical presence in state) | NO – awarded to accredited institutions (no requirement to have a physical presence in state) | NO | Teaching | 2032 | - | $3,000,000 | New funding that is a continuation of an existing program previously funded with ESSER dollars. |

| Workforce Development Programs – Existing & Proposed (Proposed new programs in red) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Program** | **Description** | **Amount / # Awarded** | **Administering Agency** | **Match Required?** | **Residency Requirements** | **Service Required to State** | **Program or Occupation** | **Bill Number(s)** | **Base Appropriatior** |
| Teacher Shortage Loan FORGIVENESS (NEW) | Encourage teaching at grade levels, content areas and geographical locals that have a teacher shortage or critical need | Between $2,500/$3,750/$5,000 per year depending on location and critical need or shortage area; up to 4 years | **DPI** | NO | NO | YES – must be working in a qualifying locale or position in ND | Qualifying teaching positions in ND | 2033 | - |
| **NDNG Tuition Grants** | Grants for postsecondary enrollment; includes out-of-state postsecondary education institutions – used as a recruitment/retention tool for the NDNG | Varies | **Adjunct General** | | | | | 2094 | - |

**2023 FAILED BILLS**

SB2127 – Psychiatric RN Loan Repayment Program
SB2270 – Student Teacher Experience Program
HB1470 – Back to College Grant
SB2151 – Immigration WF Loan Program
HB1032 – In-demand Certificates (CDL and CNA)
SB2287 – Expansion of DHHS health care professional student loan repayment
HB1421 – Workforce training grants for New Americans

ND career builders

Scholarship & Loan Repayment

| Program Statistics 2/23/2023 | SCHOLARSHIP | LOAN REPAYMENT |
|---|---|---|
| # Applicants Awarded & Active | 85 | 86 |
| # Graduated (Scholarship) | 117 | - |
| # Lost Eligibility (Loan Repayment) | - | 5 |
| # Paid in Full (Loan Repayment) | - | 2 |
| # Scholarship Applicants in Repayment (# & $) | 23 in repayment totaling $89,324; $33,900 recovered to date | - |
| Private Sector $ Received by NDUS (NOT Matched to Students) | $15,000 | $0 |
| Committed $ - Private Sector & State Match (Excl. those in scholarship repayment) | $1,566,280 | $1,358,551 |
| Average Award (Excl. those in scholarship repayment) | $7,754 | $14,608 |
| # Unique Donors | 92 | 30 |

**Programs Enrolled (Scholarship)**
(Exclude those in scholarship repayment)

Agriculture or Ag & Technology (Agronomy) (12)
Architectural Drafting & Estimating Technology (1)
Associate Degree Nurse (1)
Auto Body Repair & Refinishing Technology (2)
Automotive Technology (5)
Building Construction Technology (1)
Carpentry Residential (3)
Caterpillar Dealer Service (14)
CDL (4)
Construction Management Technology (1)
Culinary Arts (1)
Cyber Security & Computer Networks (3)
Dental Assisting (1)
Diesel Technology (13)
Early Childhood Education (1)
Electrical Technology (14)
EMS-Paramedic EMT Technology (1)
Energy Services and Renewable Technician (1)
Farm & Ranch Mgmt. / Agribusiness Mgmt. (5)
Full Stack Engineering (5)
Human Resource & Organizational Leadership (1)
Heating, Ventilation & AC/HVAC/R Tech (16)
Instrumentation and Control Technology (10)
John Deere Ag Tech (5)
Land Surveying & Civil Engineering Technology (4)
Lineworker (Electrical) (15)
Massage Therapy (1)
Meat Processing (2)
Mechanical Maintenance Technology (6)
Medical Billing & Coding (1)
Medical Assistant (1)
Medical Laboratory Technician (2)
Peace Officer (1)
Pharmacy Technician (3)
Plumbing (2)
Power Plant Technology (2)
Powersports Technology (1)
Practical Nurse/Nursing (9)
Precision Machining Technology (1)
Process Plant Technology/Process Technology (6)
Surgical Technology (3)
Web Page Development & Design (1)
Welding / Welding Technology (20)

-OR-

**High-Need Occupation Filled (Loan Repayment)**
(Exclude those who lost eligibility)

Accountant & Auditor (1)
Aircraft Mechanic & Service Technician (1)
Bus & Truck Mechanic (1)
Cardiovascular Technologist/Technician (2)
Career & Tech Ed Teachers (2)
Carpenter (1)
Childcare Worker (2)
Civil Engineer (1)
Construction Manager (1)
Dental Assistant (1)
Diagnostic Medical Sonographer (3)
Diesel Technician (1)
Electrician (1)
Farm Equipment Mechanic & Service Tech (3)
Industrial Machinery Mechanic (2)
Licensed Practical Nurse (1)
Marketing Manager (2)
Mechanical Engineer (2)
Middle School Teachers (3)
Mobile Heavy Equipment Mechanic (6)
MRI Technologist (1)
Pharmacy Technician (1)
Police/Patrol Officer (1)
Preschool Teacher (1)
Radiologic Technologist (17)
Registered Nurse (24)
Respiratory Therapist (2)
Sales Engineer (1)
Secondary School Teacher (1)
Teaching Assistant (1)
Veterinary Technologist & Technician (1)

## ND Career Builders Private-Sector Contributors

(Donors with funds remitted and/or committed to NDCB)

| | |
|---|---|
| Aasheim Enterprises, Inc. | Scholarship |
| American Bank Center | Scholarship |
| Apex Well Servicing (USA) | Scholarship |
| Arthur and Edith Pearson Foundation | Scholarship |
| BisMan Autoworx | Scholarship |
| Blake Marine | Scholarship |
| Bosch Lumber Company | Scholarship |
| Brosz Engineering, Inc. | Scholarship |
| Butler Machinery Company | Scholarship |
| Carrington Economic Development | Scholarship |
| Cavalier Do It Best Lumber | Scholarship |
| CHS Foundation | Scholarship |
| Churchill Pharmacy Holding, Inc. | Scholarship |
| Clark Equipment Company dba Doosan | Scholarship |
| Comstock Construction, Inc. | Scholarship |
| Cottingham Insurance | Scholarship |
| Crossroads Repair LLC | Scholarship |
| D & B Motors | Scholarship |
| Dakota Community Bank & Trust | Scholarship |
| Dakota Pharmacy | Scholarship |
| Dakota Refrigeration | Scholarship |
| Dale Pahlke | Scholarship |
| DMG Inc., dba Malloy Electric | Scholarship |
| First Care Health Center | Scholarship |
| Fisher Industries | Scholarship |
| FM Heating and Air, LLC | Scholarship |
| Forward Devils Lake Development | Scholarship |
| General Equipment & Supplies | Scholarship |
| Great River Energy | Scholarship |
| Grotberg Electric, Inc. | Scholarship |
| Gustaas Electric, LLC | Scholarship |
| H.A. Thompson & Sons | Scholarship |
| Heat Transfer Warehouse | Scholarship |
| Home Heating, Plumbing & AC, Inc. | Scholarship |
| ICON Architectural Group | Scholarship |
| Johnston & Sons Electric | Scholarship |
| Karen Oster-Lloyd Ritchie Memorial | Scholarship |
| Keller Paving & Landscaping, Inc. | Scholarship |
| Korber Medipak Systems NA | Scholarship |
| Kountry Kids 4H | Scholarship |
| Lake Chevrolet Buick GMC | Scholarship |
| Leading Edge Equipment | Scholarship |
| LG Homes | Scholarship |
| Marathon Petroleum | Scholarship |
| Marketplace Motors | Scholarship |
| MDU Resources | Scholarship |
| Microsoft | Scholarship |
| Modern Auto Body | Scholarship |
| ND Association of County Engineers | Scholarship |
| ND Beef Commission | Scholarship |
| ND State Electrical Board | Scholarship |
| Nelson County Health System | Scholarship |
| NODAK Electric | Scholarship |
| North Country Marine | Scholarship |
| Otter Tail Power Company Foundation | Scholarship |
| Porter Farms | Scholarship |
| Sanford Health – Bismarck | Scholarship |
| Sanford Health – Jamestown | Scholarship |
| Schmitty's Plumbing, Heating & | Scholarship |
| Scott's Electric | Scholarship |
| Service Tire, Inc. | Scholarship |
| Shakti Moon Healing, Wellness, Beauty | Scholarship |
| Sheyenne Mechanical | Scholarship |
| Titan Machinery | Scholarship |
| Toasted Frog | Scholarship |
| True North Equipment | Scholarship |
| TrueNorth Steel | Scholarship |
| Underwood School | Scholarship |
| Walsh County Job Development | Scholarship |
| Wild Rice Auto Parts | Scholarship |
| Wold Engineering | Scholarship |
| YES LLC, ENETK LLC | Scholarship |
| 20 Private-Sector Donors - No Release | Scholarship |
| | |
| Altru Health System | Loan Repayment |
| Cavalier County Health District | Loan Repayment |
| City of Grafton | Loan Repayment |
| Executive Air Taxi Corporation | Loan Repayment |
| Forward Devils Lake Development Corp. | Loan Repayment |
| General Equipment & Supplies, Inc. | Loan Repayment |
| Golden Valley Veterinary Clinic | Loan Repayment |
| Grafton True Value & Lumber | Loan Repayment |
| Heart of America Medical Center | Loan Repayment |
| Houston Engineering, Inc. | Loan Repayment |
| Langdon Community Drug | Loan Repayment |
| Leading Edge Equipment | Loan Repayment |
| Legacy CPA | Loan Repayment |
| Magnum Electric | Loan Repayment |
| Mowbray & Son Plumbing and Heating, | Loan Repayment |
| Nelson County Health System | Loan Repayment |
| Nelson International dba Nelson Leasing, | Loan Repayment |
| North Valley CTE Technology Center | Loan Repayment |
| Pro Mark Services, Inc. | Loan Repayment |
| Rugby Job Development Authority | Loan Repayment |
| Sanford Health – Bismarck | Loan Repayment |
| Sanford Health – Fargo | Loan Repayment |
| Sanford Medical Center – Fargo | Loan Repayment |
| Stantec Consulting Services, Inc. | Loan Repayment |
| True North Equipment | Loan Repayment |
| Walsh County Job Development | Loan Repayment |
| 4 Private-Sector Donors – No Release | Loan Repayment |

# ND career builders

Scholarship & Loan Repayment

## ND Career Builders - High-Need & Emerging Occupations

The High-Need and Emerging Occupations list is used to determine eligibility for the ND Career Builders Scholarship and Loan Repayment programs. The list is reviewed annually by the ND Workforce Development Council (NDWDC) and Job Service ND (JSND). The occupations listed below were approved by NDWDC and JSND in 2020 through 2022. The occupations approved in these years will be used in determining eligibility for ND Career Builders. Occupations designated with a red asterisk (*) will remain eligible for ND Career Builders consideration at least through June 30, 2023. Questions regarding the program? Contact the NDUS at 701-328-2906 or at [illegible]

### EDUCATION

- Career/Tech Ed Teachers, Secondary School (2022)
- Elementary School Teachers (2022)
- Health Specialties Teachers, Postsecondary (2022)
- Instructional Coordinators (2022)
- Kindergarten Teachers, Except Special Education (2022)
- Librarians & Media Collections Specialists (2022)
- Middle School Teachers, Except Special & Career/Tech Ed (2022)
- Preschool Teachers, Except Special Education (2022)
- Secondary School Teachers (2022)
- Special Education Teachers (KG, Elementary, Secondary School) (2022)
- Teaching Assistants, Except Postsecondary (2022)

### ENGINEERING & ARCHITECTURE

- Civil Engineer (2022)
- Civil Engineering Technologists & Technicians (2022)
- Electrical Engineers (2022)
- Mechanical Engineers (2022)
- Electrical & Electronic Engineering Technician (2020)
- Mining & Geological Engineer (2020)
- Petroleum Engineer (2020)
- Transportation Engineer (2020)

### FINANCIAL

- Accountant & Auditor (2022)
- Bookkeeping, Accounting & Auditing Clerks (2022)
- Financial Manager (2022)
- Management Analysts (2022)
- Operations Research Analysts (2022)
- Statisticians (2022)
- Tax Preparers (2022)
- Compensation & Benefits Manager (2020)
- Financial Analyst (2020)
- Personal Financial Advisors (2020)

### HEALTHCARE

- Athletic Trainers (2022)
- Cardiovascular Technologist & Technician (2022)
- Clinical Laboratory Technologists & Technicians (2022)
- Dental Assistants (2022)
- Dental Hygienists (2022)
- Diagnostic Medical Sonographer (2022)
- Dietitians and Nutritionists (2022)
- Emergency Medical Technicians & Paramedics (2022)
- Massage Therapists (2022)
- Medical Assistants (2022)
- Nuclear Medicine Technologists (2022)
- Nurse-Licensed Practical & Licensed Vocational Nurses (2022)
- Nurse-Registered Nurses (2022)
- Nursing Assistants (2022)
- Occupational Therapists (2022)
- Occupational Therapy Assistants (2022)
- Ophthalmic Medical Technicians (2022)
- Pharmacy Technicians (2022)
- Phlebotomists (2022)
- Physical Therapy Assistants (2022)
- Psychiatric Aides (2022)
- Radiologic Technologists & Technicians (2022)
- Respiratory Therapists (2022)
- Skincare Specialists (2022)
- Surgical Technologists (2022)
- Veterinary Technologists & Technicians (2022)
- Medical Lab Technologist/Technician (2020)
- MRI Technologist (2020)

### INFORMATION TECHNOLOGY

- Computer & Information Systems Managers (2022)
- Computer Network Support Specialists (2022)
- Computer Programmers (2022)
- Computer Systems Analysts (2022)
- Computer User Support Specialists (2022)
- Information Security Analysts (2022)
- Intelligence Analysts (2022)
- Software Developers and Software Quality Assurance Analysts and Testers (2022)
- Telecommunications Equipment Installers & Repairers, Except Line Installers (2022)
- Web Developers & Digital Interface Designers (2022)
- Actuaries (2020)
- Clinical Data Manager (2020)
- Database Administrators (2020)

### MANAGEMENT

- Construction Manager (2022)
- General & Operations Manager (2022)
- Industrial Production Manager (2022)
- Medical & Health Services Manager (2022)
- Sales Manager (2022)
- Marketing Manager (2020)

### PROFESSIONAL / OTHER

- Compliance Officer (2022)
- Human Resources Manager (2022)
- Human Resources Specialist (2022)
- Market Research Analysts and Marketing Specialist (2022)
- Paralegal and Legal Assistant (2022)
- Public Relations Specialist (2022)
- Training & Development Specialist (2022)
- Soil and Plant Scientist (2020)

### SALES

- Securities, Commodities & Financial Services Sales Agents (2022)
- Sales Rep.-Wholesale & Manufacturing of Technical & Scientific Products (2022)
- Sales Engineer (2020)

### SKILLED TRADE

- Automotive Service Technicians & Mechanics (2022)
- Butchers & Meatcutters (2022)
- Carpenters (2022)
- Chefs & Head Cooks (2022)
- Crane & Tower Operators (2022)
- Diesel Technician:
  - Bus & Truck Mechanic and Diesel Engine Specialist (2022)
  - Farm Equipment Mechanic & Service Technician (2022)
  - Industrial Machinery Mechanic (2022)
- Electrician (2022)
- Firefighter (2022)
- Hairdresser, Hairstylist & Cosmetologis (2022)
- Heating, Air Conditioning & Refrigeration Mechanics, and Installers (HVAC) (2022)
- Machinist (2022)
- Plumber, Pipefitter and Steamfitter (2022)
- Power Plant Operator (2022)
- Precision Agriculture Technician (2022)
- Welder, Cutter, Solderer & Brazer (2022)
- Wind Turbine Service Technician (2022
- Aircraft Mechanic & Service Technician (2020)
- Bus & Truck Mechanic (2020)
- Construction Building Inspector (2020)
- Electrical Powerline Installer & Repairer (2020)
- Environmental Scientist & Specialist (2020)
- Gas Plant Operator (2020)
- Maintenance & Repair Worker (2020)
- Mobile Heavy Equipment Mechanic (2020)
- Petroleum Pump System Operator, Refinery Operator & Gauger (2020)

### SOCIAL SERVICES

- Child, Family & School Social Worker (2022)
- Childcare Worker (2022)
- Community & Social Service Specialist (2022)
- Educational, Guidance & Career Counselors & Advisors (2022)
- Healthcare Social Workers (2022)
- Marriage & Family Therapists (2022)
- Mental Health & Substance Abuse Social Worker (2022)
- Police & Sheriff Patrol Officers (2022)
- Social & Community Service Manager (2022)
- Social & Human Service Assistant (2022
- Substance Abuse, Behavioral Disorder / Mental Health Counselor (2022)

### TRANSPORTATION

- Commercial Pilots (2022)
- Heavy & Tractor-Trailer Truck Drivers (2022)

Updated 8.25.202

23.0232.02005
Title.

Prepared by the Legislative Council staff for
Senator Sorvaag
April 6, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, after "enact" insert "a new section to chapter 6-09,"

Page 1, line 2, after "15-10" insert a comma

Page 1, line 3, after "to" insert "an economic diversification research fund,"

Page 15, after line 10, insert:

"**SECTION 18.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**Economic diversification research fund - Report to legislative management.**

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in the fund under section 21-10-13. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.

2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award grants to institutions under the control of the state board of higher education. Up to ninety percent of the funding must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.

4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting

requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations."

Renumber accordingly

**2023 - 2025 Institution Capital Projects Plan**
**Revised 04/07/2023**

| Institution | Project Title | Project Total | Funding Source | | | Project Type |
|---|---|---|---|---|---|---|
| | | | Strategic Investment and Improvement Fund | Capital Building Funds (12) | Local Match | |
| DCB | Old Main/Center for Rural Health Education | 5,800,000 | 3,300,000 | 1,000,000 | 1,500,000 | Major renovation to existing facility |
| LRSC | Wind Turbine Gearbox Replacement/Parking Lot | 1,000,000 | 0 | 1,000,000 | 0 | Equipment repair & parking lot |
| MaSU | Old Main Renovation | 49,970,100 | 42,200,000 | 2,330,087 | 5,440,013 | |
| MiSU | Dakota Residence Hall Demolition | 765,000 | 765,000 | 0 | 0 | Removal of facility |
| NDSU | Center for Engineering & Computational Sciences | 84,000,000 | 59,000,000 | 0 | 25,000,000 | New construction with major renovation to existing facility |
| UND | Science, Engineering & Natural Security Corridor | 82,000,000 | 57,400,000 | 0 | 24,600,000 | |
| WSC | Medical Healthcare Building | 36,600,000 | 25,962,053 | 637,947 | 10,000,000 | New construction |
| DSU | Agriculture & Technical Education Buildings | 18,000,000 | 17,100,000 | | 900,000 | |
| **Total** | | **278,135,100** | **205,727,053** | **4,968,034** | **67,440,013** | |

Universities/colleges are required to have the local pledge/other funds secured before any General Funds can be disbursed for the projects.

Any inflationary or other costs that exceed the project total would have to be paid through local/special funds and the obligation of the state would remain as detailed above.

The cost of the project can be less than the project total as detailed above. However, the local match percentage requirement will still remain the same and correlate to the project total.

Other funds can be used for the planning process of a project. However, the amount spent for the planning and etc. can not be counted toward the local match.

Any additional funds over the local match requirement can be used for the project.
Funding source would be through the SIIF (Strategic Investment and Improvement Fund).

DCB- $1,000,000 Tier III 2019-21 & Tier III 2023-25; MaSU -$2,330,087 Tier II & III 2019-21, 2021-23 & 2023-25; LRSC- $1,000,000 Tier III 2021-23 & Tier III 2023-25; WSC - $637,947 Tier II & III 2021-23.

| | Capital Building Funds | |
|---|---|---|
| DCB | 1,000,000 | 19-21- $500,000; 23-25 $500,000 |
| MaSU | 2,330,087 | 19-21- $610,029; 21-23 $740,029; 23-25 $980,058 |
| WSC | 637,947 | 21-23-$637,947 |
| LRSC | 1,000,000 | 21-23-$500,000; 23-25-$500,000. |
| Total | 4,968,034 | |

# North Dakota University System Office - Budget No. 215
## House Bill No. 1003
## Base Level Funding Changes

| | House Version | | | | Senate Version | | | | Senate Changes to House Version<br>Increase (Decrease) - House Version | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total | FTE Positions | General Fund | Other Funds | Total |
| **2023-25 Biennium Base Level** | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 158.83 | $116,898,476 | $25,757,035 | $142,655,511 | 0.00 | $0 | $0 | $0 |
| **2023-25 Ongoing Funding Changes** | | | | | | | | | | | | |
| Base payroll changes | 4.00 | $211,768 | $82,198 | $293,966 | 4.00 | $211,768 | $82,198 | $293,966 | | | | $0 |
| Salary increase | | 1,439,734 | 542,026 | 1,981,760 | | 1,940,770 | 723,804 | 2,664,574 | | 501,036 | 181,778 | 682,814 |
| Health insurance increase | | 507,907 | 247,974 | 755,881 | | 496,486 | 242,398 | 738,884 | | (11,421) | (5,576) | (16,997) |
| Adds funding for financial aid staff | | 125,000 | | 125,000 | | 0 | | 0 | | (125,000) | | (125,000) |
| Increases funding for the academic and CTE scholarship programs to provide a total of $17,216,749 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | 1,000,000 | | | | 0 |
| Increases funding for the Native American scholarship program to provide a total of $1 million | | 444,677 | | 444,677 | | 444,677 | | 444,677 | | | | 0 |
| Increases funding for the veterans assistance program to provide a total of $454,875 | | 177,000 | | 177,000 | | 177,000 | | 177,000 | | | | 0 |
| Adds funding for tribal college grants | | 1,000,000 | | 1,000,000 | | 400,000 | | 400,000 | | (600,000) | | (600,000) |
| Adds funding for student financial assistance grants | | 12,000,000 | | 12,000,000 | | 6,000,000 | | 6,000,000 | | (6,000,000) | | (6,000,000) |
| Adds funding for maintenance of a new financial aid system | | 273,180 | | 273,180 | | 273,180 | | 273,180 | | | | 0 |
| Adds funding for software costs and a security operations center | | 4,500,000 | | 4,500,000 | | 3,000,000 | | 3,000,000 | | (1,500,000) | | (1,500,000) |
| Adds funding for the general fund Capitol space rent model | | 143,625 | | 143,625 | | 143,625 | | 143,625 | | | | 0 |
| Reduces funding for capital bond payments | | (2,187,368) | | (2,187,368) | | (2,187,368) | | (2,187,368) | | | | 0 |
| Adds funding to limit tuition increases | | 939,310 | | 939,310 | | 939,310 | | 939,310 | | | | 0 |
| Adds funding for new FTE Vice Chancellor position | | | | 0 | 1.00 | 425,000 | | 425,000 | 1.00 | 425,000 | | 425,000 |
| Adjusts funding to convert special funded positions | | | | 0 | | 561,327 | (561,327) | 0 | | 561,327 | (561,327) | 0 |
| Total ongoing funding changes | 4.00 | $20,574,833 | $872,198 | $21,447,031 | 5.00 | $13,825,775 | $487,073 | $14,312,848 | 1.00 | ($6,749,058) | ($385,125) | ($7,134,183) |
| **One-Time Funding Items** | | | | | | | | | | | | |
| Adds funding for the higher education challenge grant program | | $36,000,000 | | $36,000,000 | | $20,000,000 | | $20,000,000 | | ($16,000,000) | | ($16,000,000) |
| Adds funding for a new financial aid software system | | 1,554,354 | | 1,554,354 | | 1,669,354 | | 1,669,354 | | 115,000 | | 115,000 |
| Adds funding to continue the Dakota Digital Academy | | 450,000 | | 450,000 | | 450,000 | | 450,000 | | | | 0 |
| Adds funding for workforce education innovation grants | | 10,000,000 | | 10,000,000 | | 10,000,000 | | 10,000,000 | | | | 0 |
| Adds funding for support of single parents | | 4,500,000 | | 4,500,000 | | 0 | | 0 | | (4,500,000) | | (4,500,000) |
| Adds funding for passthrough grants | | 20,100,000 | | 20,100,000 | | 0 | | 0 | | (20,100,000) | | (20,100,000) |
| Adds funding for severance agreement | | | | 0 | | 300,000 | | 300,000 | | 300,000 | | 300,000 |
| Total one-time funding changes | 0.00 | $72,604,354 | $0 | $72,604,354 | 0.00 | $32,419,354 | $0 | $32,419,354 | 0.00 | ($40,185,000) | $0 | ($40,185,000) |
| **Total Changes to Base Level Funding** | 4.00 | $93,179,187 | $872,198 | $94,051,385 | 5.00 | $46,245,129 | $487,073 | $46,732,202 | 1.00 | ($46,934,058) | ($385,125) | ($47,319,183) |
| **2023-25 Total Funding** | 162.83 | $210,077,663 | $26,629,233 | $236,706,896 | 163.83 | $163,143,605 | $26,244,108 | $189,387,713 | 1.00 | ($46,934,058) | ($385,125) | ($47,319,183) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Federal funds included in other funds* | | | *$0* | | | | *$0* | *$0* |
| *Total ongoing changes as a percentage of base level* | *2.5%* | *17.6%* | *3.4%* | *15.0%* | *3.1%* | *11.8%* | *1.9%* | *10.0%* |
| *Total changes as a percentage of base level* | *2.5%* | *79.7%* | *3.4%* | *65.9%* | *3.1%* | *39.6%* | *1.9%* | *32.8%* |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Additional funds appropriation authority | Section 3 appropriates any additional other funds received by entities under the control of the State Board of Higher Education to the respective entities. | The Senate did not change this section. |
| MaSU Old Main renovation | Section 4 appropriates $49,970,100 from SIIF for the renovation of Old Main at MaSU. | The Senate removed this section and provided funding for the project in Section 1. |
| Extraordinary repairs matching funds | Section 5 requires institutions to match state extraordinary repairs funding on a $1 to $1 basis using operations or other funding, except for UND and NDSU, which must match $2 to $1. | The Senate did not change this section. |
| Strategic investment and improvements fund | Section 6 identifies $293,290,000 for various institution capital projects is from SIIF. | The Senate provided $205,727,053 for various institution capital projects is from SIIF. |
| NDSU workforce education | Section 7 identifies $4.8 million appropriated from the general fund to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs. | The Senate removed this section. |
| Support for single parents | Section 8 identifies $4.5 million appropriated from the general fund to the University System office is for support for single mothers. | The Senate removed this section. |
| Severance agreement transfer | Section 9 provides for the transfer of $367,000 from University System office carryover to NDSU for the cost of a severance agreement entered into with the previous President of NDSU. Section 19 provides for future severance agreements to be paid from the University System office budget, subject to Emergency Commission and Budget Section approval. | The Senate adjusted the source of funds for the transfer to provide $300,000 from the general fund and $67,000 from carryover.<br><br>The Senate removed Section 19. |
| Dual-credit tuition scholarships | Section 10 provides for a transfer of $1.5 million from Bank of North Dakota profits to the University System office for dual-credit tuition scholarships. | The Senate did not change this section. |
| Career builders | Sections 11 and 12 provide for transfers totaling $15 million from Bank profits to the career builders program. Sections 23 through 25 amend language to continue and expand the program. | The Senate reduced the transfers to the Career Builders program to a total of $6.8 million from Bank profits to provide an estimated $10 million of unobligated funding for the program for the 2023-25 biennium. |
| Economic diversification research fund transfer | | The Senate added a section to transfer $10 million from SIIF to the economic diversification research fund. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Capital building fund program | Sections 13 and 14 provide for the continuation of the capital building fund program, including a transfer of $29 million from SIIF to the University System capital building fund and the authorization to use money in the fund for new capital projects. Section 34 restricts the use of capital building fund money for deferred maintenance and extraordinary repairs projects to academic and student housing facilities. | The Senate adjusted the list of projects authorized to use funding from the university system capital building fund. |
| Capital projects requests - Restriction | Section 15 restricts the State Board of Higher Education from requesting state funds for capital projects from the 69th Legislative Assembly. | The Senate amended this section to remove the 4-year capital projects plan. |
| Project management oversight | Section 16 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. | The Senate did not change this section. |
| UND School of Medicine and Health Sciences funding | Section 17 authorizes the transfer of funds between UND and the UND School of Medicine and Health Sciences based on the recommendation of the Commissioner of Higher Education. | The Senate removed this section. |
| Economic diversification research fund | | The Senate added a section to establish an economic diversification research fund. |
| Higher education trends - Report | Section 18 provides for the Chancellor of the University System to provide an annual report to the Budget Section regarding higher education trends. | The Senate amended this section to provide for an annual report to the Legislative Management instead of the Budget Section. |
| Academic program approval | Section 20 requires the State Board of Higher Education to approve institution requests for new academic programs within 30 days. | The Senate removed this section. |
| Disclosure of financial condition | Section 21 requires the State Board of Higher Education to provide a disclosure of financial condition to qualified applicants designated as finalists for the position of president. | The Senate did not change this section. |
| Campus policies and procedures | Section 22 provides the president of an institution may adopt policies, procedures, and directives for the institution without the approval of faculty and others through shared governance. | The Senate did not change this section. |
| Higher education challenge grants | Sections 26 through 28 adjust the higher education challenge grant statutory language and provide for the distribution of up to $36 million of grant funds to eligible institutions. Section 38 eliminates the allocation of higher education challenge grant funds for the UND School of Law; however, funding would still be made available under the UND allocation. Section 38 also eliminates the definition of "projects dedicated exclusively to the advancement of academics" to allow the matching grants to be used as the donor and institution choose. | The Senate provided for the distribution of up to $20 million of grant funds to eligible institutions. Restrictions on the use of state matching funds are restored by the Senate. A new section is added to designate funding for the NDSU main research center that can be used for the advancement of agricultural research and extension. |
| Workforce Development Council | Section 29 provides for the Workforce Development Council to replace the Workforce Education Advisory Council, which is eliminated in Section 38. | The Senate did not change this section. |

**Other Sections in North Dakota University System Office - Budget No. 215**

| | House Version | Senate Version |
|---|---|---|
| Capital project requests - Matching funds | Section 30 requires institutions to identify matching funds for future capital project requests for state funds. | The Senate did not change this section. |
| Higher education funding formula | Section 31 provides for all CTE credits to receive a weighting factor of 5 in the higher education funding formula. Section 32 adjusts the base credit-hour funding rates of the higher education funding formula. Section 33 restores the 96 percent minimum amount payable provision in the higher education funding formula. | The Senate did not change the weighting factor of 5.0 for CTE credits. The Senate adjusted the base credit-hour rates to reflect the 6%/4% salary increases. The Senate did not adjust the minimum amount payable provision. |
| Student financial assistance grants | Section 35 increases the maximum award amounts for the needs-based student financial assistance grant program from $1,100 per semester to $1,650 per semester. Section 46 declares Section 35 to be an emergency measure. | The Senate reduced the increase in the maximum award amount from $1,650 per semester to $1,375 per semester. |
| Digitization of Theodore Roosevelt documents | Section 36 removes the requirement for DSU to establish an endowment for the digitization of documents relating to Theodore Roosevelt. | The Senate did not change this section. |
| Carryover authority | Section 37 continues the authorization through July 31, 2025, for institutions under the control of the State Board of Higher Education to continue unexpended appropriations at the end of a biennium. | The Senate did not change this section. |
| Transfer authority | Section 39 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 assets. | The Senate did not change this section. |
| FTE positions | Section 40 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. | The Senate did not change this section. |
| Capital building fund - Matching funds exemption | Section 41 provides an exemption to allow LRSC to use money in its capital building fund allocation for the wind turbine gear box replacement without providing matching funds. | The Senate adjusted this section to provide an exemption to allow multiple institutions to use money in their capital building fund allocations for projects. |
| Capital projects carryover | Sections 42 and 43 provide exemptions for institutions to continue appropriation authority for various capital projects. | The Senate clarified that funding for the UND Merrifield Hall project may also be used for Twamley Hall. |
| Tuition rate increase limitation | Section 44 provides for a tuition freeze, excluding certain high-cost programs which are limited to a tuition rate increase of 1 percent per year. | The Senate removed references to fees in this section. |
| Dental hygienist credits | Section 45 provides legislative intent that dental hygienist program courses be transferred to the CTE instructional program classification factor in the higher education funding formula. | The Senate added dental assistant program courses to this section. |

## North Dakota University System

| Base Budget - Needs-Based | Engrossed HB1003 | Senate Amendments | HB1003 with Senate Amendments |
|---|---|---|---|
| | General Fund | General Fund | General Fund |
| **2021-23 Needs-Based Budget** | $ 686,328,526 | $0 | $686,328,526 |
| Cost to Continue Salaries | 3,033,698 | 0 | 3,033,698 |
| State Bond Payments | (2,187,368) | 0 | (2,187,368) |
| Funding Formula - SCH Production Changes | (9,275,245) | 0 | (9,275,245) |
| Funding Formula -98% Minimum Amount Payable (House at 96%) | 2,229,749 | - | 2,229,749 |
| Legislative Funding Formula Change (CTE/Dental Hyg)(Senate adds Dental A | 4,807,380 | 231,285 | 5,038,665 |
| Minimum Amount Payable Adjust. (LRSC-$569,686;UND-$616,332; NDSU-$4,537,253; NDSCS-$1,005,347) | - | 6,728,616 | 6,728,616 |
| **2023-25 Needs-Based Budget** | **$ 684,936,740** | **$ 6,959,901** | **$ 691,896,641** |
| **Dollar Change from 2021-23** | **$ (1,391,786)** | | |
| **Percentage Change from 2021-23** | **-0.2%** | | |

| Investments (General Fund Optional Adjustment Requests) | Engrossed HB1003 | Senate Amendments | HB1003 with Senate Amendments |
|---|---|---|---|
| **Systemwide Projects / Initiatives** | | | |
| Workforce Education Innovation Grant Program - one-time | $ 10,000,000 | $0 | $10,000,000 |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - One-time | 3,640,624 | 0 | 3,640,624 |
| Veterans Program - base | 177,000 | 0 | 177,000 |
| 7.5% inflationary increase on Funding Formula - Base | 0 | - | 0 |
| Salary 6%/4% increase plus health insurance increase (House at 4%/4%) & Tuition portion of Salary and health insur. Increases - base | 81,243,225 | 7,011,006 | 88,254,231 |
| Systemwide Marketing Program - one-time | 0 | - | 0 |
| Dakota Digital Academy - one-time | 450,000 | 0 | 450,000 |
| Forest Service - Cooperative Fire Protection Initiative - One-time | 187,000 | 0 | 187,000 |
| Forest Service - Forest recreation enhancement - One-time | 200,000 | 0 | 200,000 |
| Native American Scholarship - base | 444,677 | 0 | 444,677 |
| Student support for single mothers - one-time | 4,500,000 | (4,500,000) | 0 |
| Northern Tier/High Performance Computing (NDSU/UND) - base | 6,402,200 | - | 6,402,200 |
| NDSU Workforce Development Funding - one-time | 4,800,000 | (4,800,000) | 0 |
| Challenge Grant - one-time | 36,000,000 | (16,000,000) | 20,000,000 |
| UND Space Initiative - one-time | 45,000,000 | (36,000,000) | 9,000,000 |
| Capital Building funds - one-time - SIIF | 29,000,000 | - | 29,000,000 |
| ARPA Projects - Inflationary Adjustments: BSC | | 4,960,000 | 4,960,000 |
| UND - Merrifield and Twamley Hall | | 5,000,000 | 5,000,000 |
| DSU - Generator and other projects | | 1,600,000 | 1,600,000 |
| MiSU - Hartnett Hall | | 1,600,000 | 1,600,000 |
| Capital Project Inflationary Increases - one-time | 20,100,000 | (20,100,000) | 0 |
| Economic Diversification Research Fund | 0 | 10,000,000 | 10,000,000 |
| **NDUSO - Student Grants** | | | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 | 0 | 1,000,000 |
| Dual Credit Scholarships - BND Profits | 1,500,000 | 0 | 1,500,000 |
| Tribal College Grants | 1,000,000 | (600,000) | 400,000 |
| Career Builders Scholarships/Loan forgiveness - BND Profits | 15,000,000 | (8,200,000) | 6,800,000 |
| State Financial Aid Grant -(Needs based) - Base | 12,000,000 | (6,000,000) | 6,000,000 |
| Financial Aid Systems - Licensing & Maintenance($1,784,354 implementation, adds 2 additional programs - One-time; $273,180 annual cost - Base) | 1,827,534 | 115,000 | 1,942,534 |
| Compliance & Internal Audit assessments to Institutions-Base | 0 | 561,327 | 561,327 |
| Financial Aid 0.5 FTE - Base | 125,000 | (125,000) | 0 |
| **NDUSO - System Security & Research** | | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations Center - Base | 4,500,000 | (1,500,000) | 3,000,000 |
| Assistant Vice Chancellor - Research and Workforce - Base | 0 | 425,000 | 425,000 |
| Severence payment | 0 | 300,000 | 300,000 |
| Capitol Building Rent | 143,625 | 0 | 143,625 |
| **Investments (Optional Adjustment Requests)** | **$ 279,240,885** | **$ (66,252,667)** | **$ 212,988,218** |
| **Total NDUS Request(Excludes Capital Project Requests)** | **$ 964,177,625** | **$ (59,292,766)** | **$ 904,884,859** |

| | | | |
|---|---|---|---|
| **NDUS Capital Projects** | 343,260,100 | (137,533,047) | 205,727,053 |
| **Total NDUS Request** | **$ 1,307,437,725** | **$ (196,825,813)** | **$ 1,110,611,912** |

23.0232.02009
Title.

Prepared by the Legislative Council staff for
Representative Sanford
April 19, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 26, line 3, overstrike "creation of" and insert immediately thereafter "purpose of digitizing documents relating to Theodore Roosevelt and for creating"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment allows Dickinson State University to use money generated from an $8 million endowment for digitizing documents relating to Theodore Roosevelt in addition to the $2 million previously designated for that purpose.

**2023 - 2027 Institution Capital Projects Plan**

**Revised 04/20/2023**

| Higher Ed Rating | Institution | Project Title | Project Total | Funding Source | | | Project Type |
|---|---|---|---|---|---|---|---|
| | | | | SIIF | Capital Building Funds (12) | Local Match | |
| | **Phase 1: 2023 - 2025** | | | | | | |
| 1 | DCB | Old Main/Center for Rural Health Education | 5,300,000 | 3,300,000 | 1,000,000 | 1,000,000 | Major renovation to existing facility |
| 1 | LRSC | Wind Turbine Gearbox Replacement | 1,000,000 | 0 | 1,000,000 | 0 | Equipment repair & parking lot |
| 1 | MaSU | Old Main Renovation | 17,330,087 | 15,000,000 | 2,330,087 | 0 | |
| 1 | MiSU | Dakota Residence Hall Demolition | 765,000 | 765,000 | 0 | 0 | Removal of facility |
| 7 | NDSCS | Agriculture, Automation & Autonomous Systems | 19,975,000 | 18,975,000 | 0 | 1,000,000 | Major renovation to existing facilities and new construction |
| 3 | NDSU | Center for Engineering & Computational Sciences | 84,000,000 | 59,000,000 | 0 | 25,000,000 | New construction with major renovation to existing facility |
| 5 | UND | Engineering | 82,000,000 | 57,400,000 | 0 | 24,600,000 | |
| 4 | VSCU | McCarthy Hall Renovation | 13,500,000 | 10,474,918 | 1,025,082 | 2,000,000 | |
| 8 | WSC | Medical Healthcare Building | 36,600,000 | 25,962,053 | 637,947 | 10,000,000 | |
| 2 | DSU | Agriculture & Technical Education Buildings | 18,000,000 | 17,100,000 | | 900,000 | |
| | **Phase 1 Total** | | **278,470,087** | **207,976,971** | **5,993,116** | **64,500,000** | |
| | **Phase 2: 2025 - 2027** | | | | | | |
| 1 | MaSU | Old Main Renovation | 32,640,013 | 31,040,013 | 0 | 1,600,000 | |
| | UND | Stem | 75,000,000 | 52,000,000 | 0 | 23,000,000 | |
| | MiSU | MiSU Acedemic | 8,000,000 | 7,600,000 | 0 | 400,000 | |
| | **Phase 2 Total** | | 115,640,013 | 90,640,013 | 0 | 25,000,000 | |
| | | **State SIIF Fund Projects Overall Total** | **394,110,100** | **298,616,984** | **5,993,116** | **89,500,000** | |
| | | **Phase 2 has up to 7% Inflation tolerance and will be funded next Bienium with Appropriations and or Bonding** | | | | | |

## North Dakota University System

| Base Budget - Needs-Based | Engrossed HB1003 | Senate Amendments | Engrossed HB1003 with Senate Amendments | Conference Committee Adjustments | Engrossed HB1003 with Conference Committee Adjustments | |
|---|---|---|---|---|---|---|
| | State Funds | State Funds | State Funds | State Funds | State Funds | |
| **2021-23 Needs-Based Budget** | $ 686,328,526 | $0 | $686,328,526 | $0 | $686,328,526 | |
| Cost to Continue Salaries | 3,033,698 | 0 | 3,033,698 | 0 | 3,033,698 | Institutions $2.8M for Behaviorial Health Initiative |
| State Bond Payments | (2,187,368) | 0 | (2,187,368) | 0 | (2,187,368) | |
| Funding Formula - SCH Production Changes | (9,275,245) | 0 | (9,275,245) | 0 | (9,275,245) | |
| Funding Formula -96% Minimum Amount Payable | 2,229,749 | 0 | 2,229,749 | 0 | 2,229,749 | |
| Legislative Funding Formula Change (CTE/Dental Hyg)(Senate adds Dental Assist.) | 4,807,380 | 231,285 | 5,038,665 | 0 | 5,038,665 | |
| **2023-25 Needs-Based Budget** | $ 684,936,740 | $ 231,285 | $ 685,168,025 | 0 | $ 685,168,025 | |
| **Investments (General Fund Optional Adjustment Req** | **Engrossed HB1003** | **Senate Amendments** | **Engrossed HB1003 with Senate Amendments** | **Senate Amendments** | **Engrossed HB1003 with Senate Amendments** | |
| **Systemwide Projects / Initiatives** | | | | | | |
| Workforce Education Innovation Grant Program - one-time | 10,000,000 | 0 | 10,000,000 | (10,000,000) | 0 | Removes $10M |
| Behavioral Health Initiative (12 FTE's, 1 PTE, 4 interns) - One-time | 3,640,624 | 0 | 3,640,624 | (3,640,624) | 0 | Removes $3.6M |
| Veterans Program - base | 177,000 | 0 | 177,000 | 0 | 177,000 | |
| 7.5% inflationary increase - Funding Formula - Base | 0 | 0 | 0 | 0 | 0 | |
| Salary 6%/4% increase plus health insurance increase (House at 4%/4%) & Tuition portion of Salary and health insur. Increases - base | 81,243,225 | 7,011,006 | 88,254,231 | 400,000 | 88,654,231 | From other reductions |
| Systemwide Marketing Program - one-time | 0 | 0 | 0 | 0 | - | |
| Dakota Digital Academy - one-time | 450,000 | 0 | 450,000 | 0 | 450,000 | |
| Forest Service - Cooperative Fire Protection Initiative - Base | 187,000 | 0 | 187,000 | 0 | 187,000 | |
| Forest Service - Forest recreation enhancement - Base | 200,000 | 0 | 200,000 | 0 | 200,000 | |
| Native American Scholarship - base | 444,677 | 0 | 444,677 | 0 | 444,677 | |
| Student support for single mothers - one-time | 4,500,000 | (4,500,000) | 0 | 0 | 0 | |
| Northern Tier/High Performance Computing (NDSU/UND) - base | 6,402,200 | 0 | 6,402,200 | (1,402,200) | 5,000,000 | Reduce by $1.4M |
| NDSU Workforce Development Funding - one-time | 4,800,000 | (4,800,000) | 0 | 0 | 0 | |
| Challenge Grant - one-time (SBHE-Current biennium funding) | 36,000,000 | (16,000,000) | 20,000,000 | 0 | 20,000,000 | |
| UND Space Initiative - one-time | 45,000,000 | (36,000,000) | 9,000,000 | 0 | 9,000,000 | |
| Minimum Amount Payable Adjust. (NDSU-$4,800,000; NDSCS-$1,005,347) | $ 9,999,999 | $6,728,616 | $6,728,616 | (923,269) | $5,805,347 | Removes LRSC & UND, Adds $300,000 to NDSU |
| Capital Building funds - one-time - SIIF | 29,000,000 | 0 | 29,000,000 | (5,000,000) | 24,000,000 | Reduces $5M in Tier II |
| ARPA Projects - Inflationary Adjustments: BSC | | 4,960,000 | 4,960,000 | 5,000,000 | 9,960,000 | |
| UND - Merrifield and Twamley Hall | | 5,000,000 | 5,000,000 | 0 | 5,000,000 | |
| DSU - Generator and other projects | | 1,600,000 | 1,600,000 | 0 | 1,600,000 | |
| MiSU - Hartnett Hall | | 1,600,000 | 1,600,000 | 0 | 1,600,000 | |
| Capital Project Inflationary Increases - one-time | 20,100,000 | (20,100,000) | 0 | 0 | 0 | |
| Economic Diversification Research Fund | 0 | 10,000,000 | 10,000,000 | (5,000,000) | 5,000,000 | Reduces $5M |
| **NDUSO - Student Grants** | | | | | | |
| ND AC/CTE Scholarship funding shortage - Base | 1,000,000 | 0 | 1,000,000 | 0 | 1,000,000 | |
| Dual Credit Scholarships - BND Profits | 1,500,000 | 0 | 1,500,000 | 0 | 1,500,000 | |
| Tribal College Grants | 1,000,000 | (600,000) | 400,000 | 0 | 400,000 | |
| Career Builders Scholarships/Loan forgiveness - BND Profits | 15,000,000 | (8,200,000) | 6,800,000 | 0 | 6,800,000 | |
| State Financial Aid Grant -(Needs based) - Base | 12,000,000 | (6,000,000) | 6,000,000 | 0 | 6,000,000 | |
| Financial Aid Systems - Licensing & Maintenance($1,784,354 implementation, adds 1 additional programs - One-time; $273,180 annual cost - Base) | 1,827,534 | 115,000 | 1,942,534 | 0 | 1,942,534 | |
| Compliance & Internal Audit assessments to Institutions-Base | 0 | 561,327 | 561,327 | 0 | 561,327 | |
| Financial Aid 0.5 FTE - Base | 125,000 | (125,000) | 0 | 0 | 0 | |
| **NDUSO - System Security & Research** | | | | | | |
| CTS -$3M Software contract increases; Security Operations Center($1M-NDIT charges; $0.8M - 2-FTE;s & security software licenses in security Operations | 4,500,000 | (1,500,000) | 3,000,000 | 1,200,000 | 4,200,000 | $1,200,000 from Northern Tier reduction |
| Assistant V. C. - Research and Workforce - Base | 0 | 425,000 | 425,000 | (425,000) | 0 | Reduces $425,000 |
| Severence payment | 0 | 300,000 | 300,000 | (300,000) | - | Reduces $300,000 |
| Capitol Building Rent | 143,625 | 0 | 143,625 | 0 | 143,625 | |
| **Investments (Optional Adjustment Requests)** | **$ 289,240,884** | **$ (59,524,051)** | **$ 219,716,834** | **$ (20,091,093)** | **$ 199,625,741** | |
| **Total (Excludes Capital Project Requests)** | **$ 974,177,624** | **$ (59,292,766)** | **$ 904,884,859** | **$ (20,091,093)** | **$ 884,793,766** | |
| | | **42.1%** | | **32.0%** | | **29.1%** |

23.0232.02008
Title.

Prepared by the Legislative Council staff for
Representative Martinson
April 13, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 2, replace "five" with "six"

Page 1, line 3, after "to" insert "the Bismarck state college polytechnic center,"

Page 16, after line 26, insert:

"**SECTION 23.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Larry C. Skogen polytechnic institute.**

The polytechnic center constructed on the campus of Bismarck state college is officially named the Larry C. Skogen polytechnic institute."

Page 30, line 3, replace "35" with "36"

Renumber accordingly