

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Funding Summary**

	<b>Base Budget</b>	<b>Final Legislative Action</b>	<b>Comparison To Base Budget</b>
<b>State Auditor</b>			
Higher education audit			
Total all funds	\$0	\$0	\$0
Less estimated income	0	0	0
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
<b>Attorney General</b>			
Higher education legal services			
Intellectual property attorney		436,994	436,994
Higher education legal contracts		700,000	700,000
Total all funds	\$0	\$1,136,994	\$1,136,994
Less estimated income	0	0	0
General fund	\$0	\$1,136,994	\$1,136,994
FTE	0.00	1.00	1.00
<b>University System office</b>			
Capital assets - bond payments	\$10,436,045	\$8,368,836	(\$2,067,209)
Competitive research program	7,050,000	7,050,000	
System governance Title II	12,666,502	7,526,993	(5,139,509)
Core technology services	1,006,472	1,006,472	
Student financial assistance grants	38,662,551	45,980,965	7,318,414
Professional student exchange program	21,245,679	25,634,276	4,388,597
Academic and CTE scholarships	4,275,015	4,275,015	
Two-year campus marketing	10,000,000	14,054,677	4,054,677
Scholars program	800,000	800,000	
Native American scholarships	2,113,584	2,113,584	
Tribal college grants	649,267	649,267	
Education incentive programs	1,000,000	1,000,000	
Student mental health	3,349,000	3,349,000	
Veterans assistance grants	282,520	316,000	33,480
Deferred maintenance pool	325,000	325,000	
Campus security pool		8,700,000	8,700,000
Open educational resources training		3,000,000	3,000,000
Unified workforce education		110,000	110,000
Internal audit funding pool		50,000	50,000
Contingent system office transition		300,000	300,000
Total all funds	\$113,861,635	\$135,610,085	\$21,748,450
Less estimated income	2,299,912	2,511,216	211,304
General fund	\$111,561,723	\$133,098,869	\$21,537,146
FTE	112.91	104.39	(8.52)

Bismarck State College			
Operations	\$32,653,654	\$36,163,153	\$3,509,499
Capital assets	<u>417,673</u>	<u>2,592,673</u>	<u>2,175,000</u>
Total all funds	\$33,071,327	\$38,755,826	\$5,684,499
Less estimated income	<u>0</u>	<u>600,000</u>	<u>600,000</u>
General fund	<u>\$33,071,327</u>	<u>\$38,155,826</u>	<u>\$5,084,499</u>
FTE	126.96	133.53	6.57
Lake Region State College			
Operations	\$12,429,097	\$14,832,189	\$2,403,092
Capital assets	<u>155,367</u>	<u>1,803,790</u>	<u>1,648,423</u>
Total all funds	\$12,584,464	\$16,635,979	\$4,051,515
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$12,584,464</u>	<u>\$16,635,979</u>	<u>\$4,051,515</u>
FTE	40.22	50.19	9.97
Williston State College			
Operations	\$12,783,506	\$12,550,464	(\$233,042)
Capital assets	<u>197,801</u>	<u>197,801</u>	<u></u>
Total all funds	\$12,981,307	\$12,748,265	(\$233,042)
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$12,981,307</u>	<u>\$12,748,265</u>	<u>(\$233,042)</u>
FTE	44.15	49.96	5.81
University of North Dakota			
Operations	\$149,683,005	\$167,274,338	\$17,591,333
Capital assets	<u>4,411,566</u>	<u>79,171,566</u>	<u>74,760,000</u>
Total all funds	\$154,094,571	\$246,445,904	\$92,351,333
Less estimated income	<u>0</u>	<u>6,000,000</u>	<u>6,000,000</u>
General fund	<u>\$154,094,571</u>	<u>\$240,445,904</u>	<u>\$86,351,333</u>
FTE	633.60	630.20	(3.40)
UND Medical Center			
Operations	<u>\$52,762,590</u>	<u>\$71,437,396</u>	<u>\$18,674,806</u>
Total all funds	\$52,762,590	\$71,437,396	\$18,674,806
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$52,762,590</u>	<u>\$71,437,396</u>	<u>\$18,674,806</u>
FTE	156.55	184.58	28.03
North Dakota State University			
Operations	\$140,341,540	\$154,678,296	\$14,336,756
Capital assets	<u>2,732,244</u>	<u>14,332,244</u>	<u>11,600,000</u>
Total all funds	\$143,073,784	\$169,010,540	\$25,936,756
Less estimated income	<u>0</u>	<u>11,600,000</u>	<u>11,600,000</u>
General fund	<u>\$143,073,784</u>	<u>\$157,410,540</u>	<u>\$14,336,756</u>
FTE	491.21	537.10	45.89
State College of Science			
Operations	\$38,181,456	\$43,719,385	\$5,537,929
Capital assets	<u>1,012,379</u>	<u>14,310,379</u>	<u>13,298,000</u>
Total all funds	\$39,193,835	\$58,029,764	\$18,835,929
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$39,193,835</u>	<u>\$58,029,764</u>	<u>\$18,835,929</u>
FTE	171.87	168.30	(3.57)

Dickinson State University			
Operations	\$26,299,227	\$28,606,853	\$2,307,626
Capital assets	<u>409,078</u>	<u>409,078</u>	
Total all funds	\$26,708,305	\$29,015,931	\$2,307,626
Less estimated income	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
General fund	\$26,708,305	\$27,015,931	\$307,626
FTE	100.32	120.26	19.94
Mayville State University			
Operations	\$14,364,424	\$16,380,153	\$2,015,729
Capital assets	<u>358,992</u>	<u>358,992</u>	
Total all funds	\$14,723,416	\$16,739,145	\$2,015,729
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$14,723,416	\$16,739,145	\$2,015,729
FTE	62.78	66.23	3.45
Minot State University			
Operations	\$43,810,211	\$47,858,561	\$4,048,350
Capital assets	<u>899,620</u>	<u>899,620</u>	
Total all funds	\$44,709,831	\$48,758,181	\$4,048,350
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$44,709,831	\$48,758,181	\$4,048,350
FTE	201.76	204.10	2.34
Valley City State University			
Operations	\$20,691,135	\$25,061,349	\$4,370,214
Capital assets	<u>408,319</u>	<u>30,697,319</u>	<u>30,289,000</u>
Total all funds	\$21,099,454	\$55,758,668	\$34,659,214
Less estimated income	<u>0</u>	<u>16,000,000</u>	<u>16,000,000</u>
General fund	\$21,099,454	\$39,758,668	\$18,659,214
FTE	97.29	105.59	8.30
Dakota College at Bottineau			
Operations	\$7,892,043	\$8,589,609	\$697,566
Capital assets	<u>114,007</u>	<u>11,860,990</u>	<u>11,746,983</u>
Total all funds	\$8,006,050	\$20,450,599	\$12,444,549
Less estimated income	<u>0</u>	<u>10,648,194</u>	<u>10,648,194</u>
General fund	\$8,006,050	\$9,802,405	\$1,796,355
FTE	36.12	46.96	10.84
Forest Service			
Operations	\$6,249,979	\$6,556,634	\$306,655
Capital assets	<u>101,210</u>	<u>101,210</u>	
Total all funds	\$6,351,189	\$6,657,844	\$306,655
Less estimated income	<u>1,650,000</u>	<u>1,650,000</u>	<u>0</u>
General fund	\$4,701,189	\$5,007,844	\$306,655
FTE	29.00	28.96	(0.04)
Bill Total			
Total all funds	\$683,221,758	\$927,191,121	\$243,969,363
Less estimated income	<u>3,949,912</u>	<u>51,009,410</u>	<u>47,059,498</u>
General fund	\$679,271,846	\$876,181,711	\$196,909,865
FTE	2304.74	2431.35	126.61

**House Bill No. 1003 - State Auditor - House Action**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
Higher education audit		\$1,221,914	\$1,221,914
Total all funds	\$0	\$1,221,914	\$1,221,914
Less estimated income	0	0	0
General fund	\$0	\$1,221,914	\$1,221,914
FTE	0.00	6.00	6.00

**Department 117 - State Auditor - Detail of House Changes**

	<b>Adds Higher Education Audit Positions<sup>1</sup></b>	<b>Total House Changes</b>
Higher education audit	1,221,914	1,221,914
Total all funds	\$1,221,914	\$1,221,914
Less estimated income	0	0
General fund	\$1,221,914	\$1,221,914
FTE	6.00	6.00

<sup>1</sup> Funding of \$1,221,914 and 6 FTE positions are added to the State Auditor's office to conduct audits of the North Dakota University System. The new positions are to be filled based on a competitive hiring process. A section is also added to provide statutory provisions regarding the higher education audit duties and functions.

**House Bill No. 1003 - State Auditor - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Higher education audit		\$1,221,914	(\$1,221,914)	
Total all funds	\$0	\$1,221,914	(\$1,221,914)	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$1,221,914	(\$1,221,914)	\$0
FTE	0.00	6.00	(6.00)	0.00

**Department 117 - State Auditor - Detail of Senate Changes**

	<b>Removes Higher Education Audit Positions<sup>1</sup></b>	<b>Total Senate Changes</b>
Higher education audit	(1,221,914)	(1,221,914)
Total all funds	(\$1,221,914)	(\$1,221,914)
Less estimated income	0	0
General fund	(\$1,221,914)	(\$1,221,914)
FTE	(6.00)	(6.00)

<sup>1</sup> Funding and 6 higher education audit FTE positions added by the House to the State Auditor's office are removed.

**House Bill No. 1003 - State Auditor - Conference Committee Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Conference Committee Changes</b>	<b>Conference Committee Version</b>	<b>Senate Version</b>	<b>Comparison to Senate</b>
Higher education audit		\$1,221,914	(\$1,221,914)			
Total all funds	\$0	\$1,221,914	(\$1,221,914)	\$0	\$0	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$1,221,914	(\$1,221,914)	\$0	\$0	\$0
FTE	0.00	6.00	(6.00)	0.00	0.00	0.00

**Department 117 - State Auditor - Detail of Conference Committee Changes**

	<b>Removes Higher Education Audit Positions<sup>1</sup></b>	<b>Total Conference Committee Changes</b>
Higher education audit	(1,221,914)	(1,221,914)
Total all funds	(\$1,221,914)	(\$1,221,914)
Less estimated income	0	0
General fund	(\$1,221,914)	(\$1,221,914)
FTE	(6.00)	(6.00)

<sup>1</sup> Funding and 6 higher education audit FTE positions added by the House to the State Auditor's office are removed. The Senate also removed the positions.

**House Bill No. 1003 - Attorney General - House Action**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
Higher education legal services		\$1,604,500	\$1,604,500
Total all funds	\$0	\$1,604,500	\$1,604,500
Less estimated income	0	0	0
General fund	\$0	\$1,604,500	\$1,604,500
FTE	0.00	6.00	6.00

**Department 125 - Attorney General - Detail of House Changes**

	<b>Adds Higher Education Legal Positions<sup>1</sup></b>	<b>Total House Changes</b>
Higher education legal services	1,604,500	1,604,500
Total all funds	\$1,604,500	\$1,604,500
Less estimated income	0	0
General fund	\$1,604,500	\$1,604,500
FTE	6.00	6.00

<sup>1</sup> Funding of \$1,604,500 and 6 FTE positions are added for the Attorney General's office to provide legal services to the University System. The new positions are to be filled based on a competitive hiring process. A section is also added to provide statutory changes regarding the employment of attorneys by the State Board of Higher Education.

**House Bill No. 1003 - Attorney General - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Higher education legal services		\$1,604,500	(\$1,604,500)	
Total all funds	\$0	\$1,604,500	(\$1,604,500)	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$1,604,500	(\$1,604,500)	\$0
FTE	0.00	6.00	(6.00)	0.00

**Department 125 - Attorney General - Detail of Senate Changes**

	<b>Removes Higher Education Legal Services Positions<sup>1</sup></b>	<b>Total Senate Changes</b>
Higher education legal services	(1,604,500)	(1,604,500)
Intellectual property attorney		
Higher education legal contracts		
Total all funds	(\$1,604,500)	(\$1,604,500)
Less estimated income	0	0
General fund	(\$1,604,500)	(\$1,604,500)
FTE	(6.00)	(6.00)

<sup>1</sup> Funding and 6 higher education legal services FTE positions added by the House to the Attorney General's office are removed.

**House Bill No. 1003 - Attorney General - Conference Committee Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Conference Committee Changes</b>	<b>Conference Committee Version</b>	<b>Senate Version</b>	<b>Comparison to Senate</b>
Higher education legal services		\$1,604,500	(\$1,604,500)			
Intellectual property attorney			436,994	436,994		436,994
Higher education legal contracts			700,000	700,000		700,000
Total all funds	\$0	\$1,604,500	(\$467,506)	\$1,136,994	\$0	\$1,136,994
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$1,604,500	(\$467,506)	\$1,136,994	\$0	\$1,136,994
FTE	0.00	6.00	(5.00)	1.00	0.00	1.00

**Department 125 - Attorney General - Detail of Conference Committee Changes**

	<b>Removes Higher Education Legal Services Positions<sup>1</sup></b>	<b>Transfers Intellectual Property Attorney<sup>2</sup></b>	<b>Adds Funding to Continue Current Higher Education Litigation<sup>3</sup></b>	<b>Total Conference Committee Changes</b>
Higher education legal services	(1,604,500)			(1,604,500)
Intellectual property attorney		436,994		436,994
Higher education legal contracts			700,000	700,000
Total all funds	(\$1,604,500)	\$436,994	\$700,000	(\$467,506)
Less estimated income	0	0	0	0
General fund	(\$1,604,500)	\$436,994	\$700,000	(\$467,506)
FTE	(6.00)	1.00	0.00	(5.00)

<sup>1</sup> Funding and 6 higher education legal services FTE positions added by the House to the Attorney General's office are removed. The Senate also removed the positions.

<sup>2</sup> One FTE intellectual property attorney currently employed by the North Dakota University System Office and related funding is transferred to the Attorney General's office.

<sup>3</sup> One-time funding of \$700,000 is added to the Attorney General's office to continue contracts and other outside services for higher education litigation purposes.

**House Bill No. 1003 - North Dakota University System - General Fund Summary of House Action**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
University System office	\$111,561,723	\$28,739,478	\$140,301,201
Bismarck State College	33,071,327	4,915,679	37,987,006
Lake Region State College	12,584,464	2,689,628	15,274,092
Williston State College	12,981,307	(448,385)	12,532,922
University of North Dakota	154,094,571	69,904,275	223,998,846
UND Medical Center	52,762,590	19,511,649	72,274,239
North Dakota State University	143,073,784	9,404,599	152,478,383
State College of Science	39,193,835	2,774,644	41,968,479
Dickinson State University	26,708,305	(1,505,523)	25,202,782
Mayville State University	14,723,416	492,947	15,216,363
Minot State University	44,709,831	2,080,914	46,790,745
Valley City State University	21,099,454	1,050,323	22,149,777
Dakota College at Bottineau	8,006,050	(104,371)	7,901,679
Forest Service	4,701,189	282,020	4,983,209
<b>Total general fund</b>	<b>\$679,271,846</b>	<b>\$139,787,877</b>	<b>\$819,059,723</b>

**Detail of House Changes to the General Fund**

	<b>Adds Funding for Salary and Benefit Increases and Adjusts FTE Positions<sup>1</sup></b>	<b>Adjusts Funding for the University System Office<sup>2</sup></b>	<b>Adds Funding for Core Technology Services Initiatives<sup>3</sup></b>	<b>Increases Funding for Student Financial Assistance Programs<sup>4</sup></b>	<b>Removes Internal Audit and Legal Positions<sup>5</sup></b>	<b>Adds Campus Deferred Maintenance and Security Funding Pools<sup>6</sup></b>
University System office	2,095,253	(4,423,729)	5,799,800	9,386,250	(3,330,104)	8,000,000
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	326,982					
<b>Total general fund</b>	<b>\$2,422,235</b>	<b>(\$4,423,729)</b>	<b>\$5,799,800</b>	<b>\$9,386,250</b>	<b>(\$3,330,104)</b>	<b>\$8,000,000</b>

	<b>Adds Contingent Appropriation for Unified Workforce Education<sup>7</sup></b>	<b>Removes Campus Assessments and Consolidates Services<sup>8</sup></b>	<b>Transfers Funding to Extraordinary Repairs Funding Pool<sup>9</sup></b>	<b>Provides Funding Formula and Base Level Adjustments<sup>10</sup></b>	<b>Adds Funding for UND School of Medicine and Health Sciences Initiatives<sup>11</sup></b>	<b>Adds Funding for Capital Projects and Special Assessments<sup>12</sup></b>
University System office	50,000		11,162,008			
Bismarck State College		(39,822)	(417,673)	4,015,574		1,357,600
Lake Region State College		(12,086)	(155,367)	2,857,081		
Williston State College		(16,476)	(197,801)	(519,108)		285,000
University of North Dakota		(489,539)	(4,411,566)	12,563,795		62,241,585
UND Medical Center					19,511,649	
North Dakota State University		(265,418)	(2,732,244)	10,810,835		1,591,426
State College of Science		(38,329)	(1,012,379)	3,550,254		275,098
Dickinson State University		(27,603)	(409,078)	(1,068,842)		
Mayville State University		(19,864)	(358,992)	643,518		228,285
Minot State University		(54,831)	(899,620)	3,035,365		
Valley City State University		(50,616)	(408,319)	1,266,020		243,238
Dakota College at Bottineau		(8,368)	(114,007)	(10,453)		28,457
Forest Service			(44,962)			
<b>Total general fund</b>	<b>\$50,000</b>	<b>(\$1,022,952)</b>	<b>\$0</b>	<b>\$37,144,039</b>	<b>\$19,511,649</b>	<b>\$66,250,689</b>

	<b>Total General Fund Changes</b>
University System office	28,739,478
Bismarck State College	4,915,679
Lake Region State College	2,689,628
Williston State College	(448,385)
University of North Dakota	69,904,275
UND Medical Center	19,511,649
North Dakota State University	9,404,599
State College of Science	2,774,644
Dickinson State University	(1,505,523)
Mayville State University	492,947
Minot State University	2,080,914
Valley City State University	1,050,323
Dakota College at Bottineau	(104,371)
Forest Service	282,020
<b>Total general fund</b>	<b>\$139,787,877</b>

**House Bill No. 1003 - North Dakota University System - Other Funds Summary of House Action**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
University System office	\$2,299,912	(\$288,696)	\$2,011,216
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	<u>1,650,000</u>		<u>1,650,000</u>
Total other funds	\$3,949,912	(\$288,696)	\$3,661,216

**Detail of House Changes to Other Funds**

	<b>Adds Funding for Salary and Benefit Increases and Adjusts FTE Positions<sup>1</sup></b>	<b>Adjusts Funding for the University System Office<sup>2</sup></b>	<b>Adds Funding for Core Technology Services Initiatives<sup>3</sup></b>	<b>Increases Funding for Student Financial Assistance Programs<sup>4</sup></b>	<b>Removes Internal Audit and Legal Positions<sup>5</sup></b>	<b>Adds Campus Deferred Maintenance and Security Funding Pools<sup>6</sup></b>
University System office		(288,696)				
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						
Total other funds	<u>\$0</u>	<u>(\$288,696)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

	<b>Adds Contingent Appropriation for Unified Workforce Education<sup>7</sup></b>	<b>Removes Campus Assessments and Consolidates<sup>8</sup> Services</b>	<b>Transfers Funding to Extraordinary Repairs Funding Pool<sup>9</sup></b>	<b>Provides Funding Formula and Base Level Adjustments<sup>10</sup></b>	<b>Adds Funding for UND School of Medicine and Health Sciences Initiatives<sup>11</sup></b>	<b>Adds Funding for Capital Projects and Special Assessments<sup>12</sup></b>
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						
<b>Total other funds</b>	\$0	\$0	\$0	\$0	\$0	\$0

	<b>Total Other Funds Changes</b>
University System office	(288,696)
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	
<b>Total other funds</b>	<b>(\$288,696)</b>

**House Bill No. 1003 - North Dakota University System - All Funds Summary of House Action**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
University System office	\$113,861,635	\$28,450,782	\$142,312,417
Bismarck State College	33,071,327	4,915,679	37,987,006
Lake Region State College	12,584,464	2,689,628	15,274,092
Williston State College	12,981,307	(448,385)	12,532,922
University of North Dakota	154,094,571	69,904,275	223,998,846
UND Medical Center	52,762,590	19,511,649	72,274,239
North Dakota State University	143,073,784	9,404,599	152,478,383
State College of Science	39,193,835	2,774,644	41,968,479
Dickinson State University	26,708,305	(1,505,523)	25,202,782
Mayville State University	14,723,416	492,947	15,216,363
Minot State University	44,709,831	2,080,914	46,790,745
Valley City State University	21,099,454	1,050,323	22,149,777
Dakota College at Bottineau	8,006,050	(104,371)	7,901,679
Forest Service	6,351,189	282,020	6,633,209
<b>Total all funds</b>	<b>\$683,221,758</b>	<b>\$139,499,181</b>	<b>\$822,720,939</b>
<b>FTE</b>	<b>2304.74</b>	<b>117.61</b>	<b>2422.35</b>

**Detail of House Changes to All Funds**

	<b>Adds Funding for Salary and Benefit Increases and Adjusts FTE Positions<sup>1</sup></b>	<b>Adjusts Funding for the University System Office<sup>2</sup></b>	<b>Adds Funding for Core Technology Services Initiatives<sup>3</sup></b>	<b>Increases Funding for Student Financial Assistance Programs<sup>4</sup></b>	<b>Removes Internal Audit and Legal Positions<sup>5</sup></b>	<b>Adds Campus Deferred Maintenance and Security Funding Pools<sup>6</sup></b>
University System office	2,095,253	(4,712,425)	5,799,800	9,386,250	(3,330,104)	8,000,000
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	326,982					
<b>Total all funds</b>	<b>\$2,422,235</b>	<b>(\$4,712,425)</b>	<b>\$5,799,800</b>	<b>\$9,386,250</b>	<b>(\$3,330,104)</b>	<b>\$8,000,000</b>
<b>FTE</b>	<b>113.21</b>	<b>(1.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(15.60)</b>	<b>0.00</b>

	<b>Adds Contingent Appropriation for Unified Workforce Education<sup>7</sup></b>	<b>Removes Campus Assessments and Consolidates<sup>8</sup> Services</b>	<b>Transfers Funding to Extraordinary Repairs Funding Pool<sup>9</sup></b>	<b>Provides Funding Formula and Base Level Adjustments<sup>10</sup></b>	<b>Adds Funding for UND School of Medicine and Health Sciences Initiatives<sup>11</sup></b>	<b>Adds Funding for Capital Projects and Special Assessments<sup>12</sup></b>
University System office	50,000		11,162,008			
Bismarck State College		(39,822)	(417,673)	4,015,574		1,357,600
Lake Region State College		(12,086)	(155,367)	2,857,081		
Williston State College		(16,476)	(197,801)	(519,108)		285,000
University of North Dakota		(489,539)	(4,411,566)	12,563,795		62,241,585
UND Medical Center					19,511,649	
North Dakota State University		(265,418)	(2,732,244)	10,810,835		1,591,426
State College of Science		(38,329)	(1,012,379)	3,550,254		275,098
Dickinson State University		(27,603)	(409,078)	(1,068,842)		
Mayville State University		(19,864)	(358,992)	643,518		228,285
Minot State University		(54,831)	(899,620)	3,035,365		
Valley City State University		(50,616)	(408,319)	1,266,020		243,238
Dakota College at Bottineau		(8,368)	(114,007)	(10,453)		28,457
Forest Service			(44,962)			
<b>Total all funds</b>	<b>\$50,000</b>	<b>(\$1,022,952)</b>	<b>\$0</b>	<b>\$37,144,039</b>	<b>\$19,511,649</b>	<b>\$66,250,689</b>
FTE	0.00	0.00	0.00	0.00	21.00	0.00

	<b>Total All Funds Changes</b>
University System office	28,450,782
Bismarck State College	4,915,679
Lake Region State College	2,689,628
Williston State College	(448,385)
University of North Dakota	69,904,275
UND Medical Center	19,511,649
North Dakota State University	9,404,599
State College of Science	2,774,644
Dickinson State University	(1,505,523)
Mayville State University	492,947
Minot State University	2,080,914
Valley City State University	1,050,323
Dakota College at Bottineau	(104,371)
Forest Service	282,020
<b>Total all funds</b>	<b>\$139,499,181</b>
FTE	117.61

<sup>1</sup> Funding is added for the following general fund salary and benefit adjustments for the University System office, Core Technology Services, and Forest Service:

	<b>University System Office</b>	<b>Core Technology Services</b>	<b>Forest Service</b>	<b>Total</b>
Cost-to-continue 2013-15 biennium salary and benefit adjustments	\$74,151	\$273,490	\$48,974	\$396,615
3 percent annual salary adjustments for the 2015-17 biennium	287,795	901,517	161,434	1,350,746
Health insurance premium increases	142,127	416,173	116,574	674,874
<b>Total</b>	<b>\$504,073</b>	<b>\$1,591,180</b>	<b>\$326,982</b>	<b>\$2,422,235</b>

The number of 2013-15 biennium authorized FTE positions is adjusted for institutions and entities under the control of the State Board of Higher Education by adding 113.21 FTE positions pursuant to Section 36 of 2013 Senate Bill No. 2003 which authorizes the board to adjust FTE positions as needed subject to the availability of funds.

<sup>2</sup> Funding for the University System office is adjusted as follows:

- General fund appropriations for capital bond payments are reduced by \$2,067,209 to reflect lower estimated bond payments.
- Federal funding of \$288,696 and 1 FTE position is transferred to the Department of Veterans' Affairs for the State Approving Agency.
- General fund appropriations for University System governance and operations are reduced by \$2 million.
- General fund appropriations for tribal college assistance grants are reduced from the base level of \$1 million to \$500,000.
- Funding from the general fund for student mental health services is increased by \$33,480.
- One-time funding from the general fund of \$110,000 is added for open educational resources training.

<sup>3</sup> Funding from the general fund is added for the following Core Technology Services initiatives:

<b>Initiative</b>	<b>Ongoing Funding</b>	<b>One-Time Funding</b>	<b>Total</b>
Information technology security	\$152,900	\$1,350,000	\$1,502,900
Centralized document imaging	915,400	270,000	1,185,400
Predictive analytics reporting and other student success initiatives	1,910,000	181,500	2,091,500
Identity management system		1,020,000	1,020,000
<b>Total</b>	<b>\$2,978,300</b>	<b>\$2,821,500</b>	<b>\$5,799,800</b>

<sup>4</sup> Funding is added for student financial assistance programs to:

- Increase the maximum student financial assistance grant award (needs-based aid) amount from \$1,650 per year to \$1,950 per year.
- Increase the academic and career and technical education scholarship award (merit-based aid) amount from \$1,500 per year to \$1,950 per year with a lifetime maximum of \$7,800.

Section 6 of the bill is amended to provide the statutory adjustments needed to increase the academic and career and technical education scholarship award amount. Sections are also added to repeal North Dakota Century Code Chapter 15-62.2 which relates to the student financial assistance grant program and the scholars program and to add two new chapters regarding the programs. The new chapters provide the statutory adjustments needed to increase the student financial assistance grant award amount and to provide clarification regarding residency requirements for the programs and the ability to distribute awards on a semester or quarterly basis.

<sup>5</sup> University System internal audit and legal functions are removed as follows:

- General fund base funding of \$771,964 and 7 internal audit FTE positions are removed.
- General fund base funding of \$2,558,140 and 8.6 legal FTE positions are removed.

<sup>6</sup> Funding is added for the following pools to be transferred by the State Board of Higher Education to institutions and entities under its control:

- A \$5 million deferred maintenance funding pool is added and is to be distributed to institutions based on campus master plan and space utilization studies.
- A \$3 million campus security pool is added and is to be distributed to institutions based on campus security and risk assessments.

Section 8 of the bill is amended to provide transfer authority for the funding pools.

<sup>7</sup> A contingent appropriation of \$50,000 is added from the general fund for a unified system of workforce, vocational, and technical education. The appropriation is contingent upon the State Board of Higher Education certifying to the Office of Management and Budget that a unified system of workforce, vocational, and technical education has been established. The board is to provide reports to the Legislative Management regarding the status of establishing the unified system.

<sup>8</sup> Funding is removed for the following campus assessments and consolidated services:

- Funding of \$431,627 previously used by campuses to pay internal audit assessments is removed.
- Funding of \$224,500 is removed from campus budgets for predictive analytics and student success programs.
- Funding of \$366,825 is removed from campus budgets for document imaging.

Funding for document imaging and predictive analytics and student success services is added to the University System office budget to provide consolidated systemwide services. Please see the *Adds Funding for Core Technology Services Initiatives* footnote for additional information.

<sup>9</sup> Base funding for extraordinary repairs is transferred from campuses and the Forest Service to the University System office for an extraordinary repairs funding pool. Funds in the pool are to be distributed to campuses and the Forest Service based on campus master plan and space utilization studies and identified needs of the Forest Service.

<sup>10</sup> The following funding adjustments are made based on the higher education funding formula and other adjustments:

	<b>General Fund</b>
Bismarck State College	\$4,015,574
Dakota College at Bottineau	(10,453)
Lake Region State College	2,857,081
North Dakota State College of Science	3,550,254
Williston State College	(519,108)
Dickinson State University	(1,068,842)
Mayville State University	643,518
Minot State University	3,035,365
Valley City State University	1,266,020
North Dakota State University	10,810,835
University of North Dakota	<u>12,563,795</u>
Total	\$37,144,039

The funding formula adjustments are based on 2011-13 biennium completed student credit hours. Sections are also added to the bill to provide for statutory adjustments to the funding formula remedial education factor rate, credit completion factor rates, and institutional size factor rates.

The adjustments include the removal of \$2.5 million of base funding provided to Minot State University during the 2013-15 biennium for flood recovery needs.

<sup>11</sup> Funding is added for the following University of North Dakota School of Medicine and Health Sciences initiatives:

	<b>General Fund</b>
RuralMed program	\$996,843
Health care workforce initiative (includes the addition of 21 FTE positions)	13,814,806
Residency positions	<u>4,700,000</u>
Total	\$19,511,649

The funding for the health care workforce initiative and residency positions is considered one-time funding.

<sup>12</sup> Funding from the general fund is added for Phase II of the University of North Dakota School of Medicine and Health Sciences facility project (\$62 million) and for special assessments payments at campuses (\$4,250,689).

**House Bill No. 1003 - North Dakota University System - General Fund Summary of Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
University System office	\$111,561,723	\$140,301,201	(\$11,215,338)	\$129,085,863
Bismarck State College	33,071,327	37,987,006	960,113	38,947,119
Lake Region State College	12,584,464	15,274,092	1,473,012	16,747,104
Williston State College	12,981,307	12,532,922	576,329	13,109,251
University of North Dakota	154,094,571	223,998,846	17,593,989	241,592,835
UND Medical Center	52,762,590	72,274,239	(996,843)	71,277,396
North Dakota State University	143,073,784	152,478,383	7,691,525	160,169,908
State College of Science	39,193,835	41,968,479	16,668,047	58,636,526
Dickinson State University	26,708,305	25,202,782	2,007,488	27,210,270
Mayville State University	14,723,416	15,216,363	1,875,155	17,091,518
Minot State University	44,709,831	46,790,745	1,212,485	48,003,230
Valley City State University	21,099,454	22,149,777	43,890,935	66,040,712
Dakota College at Bottineau	8,006,050	7,901,679	1,993,716	9,895,395
Forest Service	4,701,189	4,983,209	24,635	5,007,844
<b>Total general fund</b>	<b>\$679,271,846</b>	<b>\$819,059,723</b>	<b>\$83,755,248</b>	<b>\$902,814,971</b>

**Detail of Senate Changes to the General Fund**

	<b>Adjusts University System Office and Institution Funding<sup>1</sup></b>	<b>Removes House Funding Formula and Base Funding Adjustments<sup>2</sup></b>	<b>Provides Funding Formula Adjustments and Supplemental Funding<sup>3</sup></b>	<b>Transfers Extraordinary Repairs Funding to Institutions<sup>4</sup></b>	<b>Adds Funding for Capital Projects<sup>5</sup></b>	<b>Total General Fund Changes</b>
University System office	(53,330)			(11,162,008)		(11,215,338)
Bismarck State College		(3,975,752)	2,943,192	417,673	1,575,000	960,113
Lake Region State College		(2,844,995)	2,514,217	155,367	1,648,423	1,473,012
Williston State College		535,584	(157,056)	197,801		576,329
University of North Dakota		(12,074,256)	19,256,679	4,411,566	6,000,000	17,593,989
UND Medical Center		(996,843)				(996,843)
North Dakota State University		(10,545,417)	15,504,698	2,732,244		7,691,525
State College of Science		(3,511,925)	5,869,593	1,012,379	13,298,000	16,668,047
Dickinson State University	800,000	1,096,445	(298,035)	409,078		2,007,488
Mayville State University		(623,654)	2,139,817	358,992		1,875,155
Minot State University		(2,980,534)	3,293,399	899,620		1,212,485
Valley City State University		(1,215,404)	4,559,020	408,319	40,139,000	43,890,935
Dakota College at Bottineau		18,821	762,099	114,007	1,098,789	1,993,716
Forest Service	(20,327)			44,962		24,635
<b>Total general fund</b>	<b>\$726,343</b>	<b>(\$37,117,930)</b>	<b>\$56,387,623</b>	<b>\$0</b>	<b>\$63,759,212</b>	<b>\$83,755,248</b>

**House Bill No. 1003 - North Dakota University System - Other Funds Summary of Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
University System office	\$2,299,912	\$2,011,216	\$500,000	\$2,511,216
Bismarck State College			600,000	600,000
Lake Region State College				
Williston State College				
University of North Dakota			6,000,000	6,000,000
UND Medical Center				
North Dakota State University			11,600,000	11,600,000
State College of Science				
Dickinson State University				
Mayville State University				
Minot State University				
Valley City State University			16,000,000	16,000,000
Dakota College at Bottineau			10,648,194	10,648,194
Forest Service	<u>1,650,000</u>	<u>1,650,000</u>		<u>1,650,000</u>
Total other funds	\$3,949,912	\$3,661,216	\$45,348,194	\$49,009,410

**Detail of Senate Changes to Other Funds**

	<b>Adjusts University System Office and Institution Funding<sup>1</sup></b>	<b>Removes House Funding Formula and Base Funding Adjustments<sup>2</sup></b>	<b>Provides Funding Formula Adjustments and Supplemental Funding<sup>3</sup></b>	<b>Transfers Extraordinary Repairs Funding to Institutions<sup>4</sup></b>	<b>Adds Funding for Capital Projects<sup>5</sup></b>	<b>Total Other Funds Changes</b>
University System office	500,000					500,000
Bismarck State College					600,000	600,000
Lake Region State College						
Williston State College						
University of North Dakota					6,000,000	6,000,000
UND Medical Center						
North Dakota State University					11,600,000	11,600,000
State College of Science						
Dickinson State University						
Mayville State University						
Minot State University						
Valley City State University					16,000,000	16,000,000
Dakota College at Bottineau					10,648,194	10,648,194
Forest Service						
Total other funds	\$500,000	\$0	\$0	\$0	\$44,848,194	\$45,348,194

**House Bill No. 1003 - North Dakota University System - All Funds Summary of Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
University System office	\$113,861,635	\$142,312,417	(\$10,715,338)	\$131,597,079
Bismarck State College	33,071,327	37,987,006	1,560,113	39,547,119
Lake Region State College	12,584,464	15,274,092	1,473,012	16,747,104
Williston State College	12,981,307	12,532,922	576,329	13,109,251
University of North Dakota	154,094,571	223,998,846	23,593,989	247,592,835
UND Medical Center	52,762,590	72,274,239	(996,843)	71,277,396
North Dakota State University	143,073,784	152,478,383	19,291,525	171,769,908
State College of Science	39,193,835	41,968,479	16,668,047	58,636,526
Dickinson State University	26,708,305	25,202,782	2,007,488	27,210,270
Mayville State University	14,723,416	15,216,363	1,875,155	17,091,518
Minot State University	44,709,831	46,790,745	1,212,485	48,003,230
Valley City State University	21,099,454	22,149,777	59,890,935	82,040,712
Dakota College at Bottineau	8,006,050	7,901,679	12,641,910	20,543,589
Forest Service	6,351,189	6,633,209	24,635	6,657,844
<b>Total all funds</b>	<b>\$683,221,758</b>	<b>\$822,720,939</b>	<b>\$129,103,442</b>	<b>\$951,824,381</b>
FTE	2304.74	2422.35	8.00	2430.35

**Detail of Senate Changes to All Funds**

	<b>Adjusts University System Office and Institution Funding<sup>1</sup></b>	<b>Removes House Funding Formula and Base Funding Adjustments<sup>2</sup></b>	<b>Provides Funding Formula Adjustments and Supplemental Funding<sup>3</sup></b>	<b>Transfers Extraordinary Repairs Funding to Institutions<sup>4</sup></b>	<b>Adds Funding for Capital Projects<sup>5</sup></b>	<b>Total All Funds Changes</b>
University System office	446,670			(11,162,008)		(10,715,338)
Bismarck State College		(3,975,752)	2,943,192	417,673	2,175,000	1,560,113
Lake Region State College		(2,844,995)	2,514,217	155,367	1,648,423	1,473,012
Williston State College		535,584	(157,056)	197,801		576,329
University of North Dakota		(12,074,256)	19,256,679	4,411,566	12,000,000	23,593,989
UND Medical Center		(996,843)				(996,843)
North Dakota State University		(10,545,417)	15,504,698	2,732,244	11,600,000	19,291,525
State College of Science		(3,511,925)	5,869,593	1,012,379	13,298,000	16,668,047
Dickinson State University	800,000	1,096,445	(298,035)	409,078		2,007,488
Mayville State University		(623,654)	2,139,817	358,992		1,875,155
Minot State University		(2,980,534)	3,293,399	899,620		1,212,485
Valley City State University		(1,215,404)	4,559,020	408,319	56,139,000	59,890,935
Dakota College at Bottineau		18,821	762,099	114,007	11,746,983	12,641,910
Forest Service	(20,327)			44,962		24,635
<b>Total all funds</b>	<b>\$1,226,343</b>	<b>(\$37,117,930)</b>	<b>\$56,387,623</b>	<b>\$0</b>	<b>\$108,607,406</b>	<b>\$129,103,442</b>
FTE	8.00	0.00	0.00	0.00	0.00	8.00

<sup>1</sup> Funding is adjusted for the University System office, institutions, and the Forest Service as follows:

- University System office funding from the general fund is adjusted as follows:

	<b>Ongoing Funding</b>	<b>One-Time Funding</b>	<b>Total</b>
Health insurance adjustment for system office employees	(\$24,782)		(\$24,782)
Health insurance adjustment for Core Technology Services employees	(72,566)		(72,566)
Restore 1 intellectual property attorney FTE position	436,994		436,994
Internal audit funding pool	300,000		300,000
System office employee contract and leave payouts		250,000	250,000

Adjust funding for academic and career and technical education scholarship program to provide scholarships of \$1,500 per year	(942,976)		(942,976)
Total	<u>(\$303,330)</u>	\$250,000	<u>(\$53,330)</u>

- Funding of \$500,000 from the student loan trust fund is added for tribal college assistance grants to provide total funding of \$1 million.
- One-time funding from the general fund of \$800,000 is added for document digitization and operations of the Theodore Roosevelt Center at Dickinson State University.
- Funding of \$2.5 million from the general fund provided by the House to Williston State College for extraordinary campus needs is classified as one-time funding.
- Health insurance premium funding for the Forest Service is adjusted to reflect revised premium rates.
- The 2013-15 biennium FTE positions for the University System office are adjusted pursuant to Section 36 of 2013 Senate Bill No. 2003 which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds.

<sup>2</sup> Adjustments made by the House for base level funding are removed as follows:

Bismarck State College	(\$3,975,752)
Lake Region State College	(2,844,995)
Williston State College	535,584
University of North Dakota	(12,074,256)
UND Medical Center	(996,843)
North Dakota State University	(10,545,417)
State College of Science	(3,511,925)
Dickinson State University	1,096,445
Mayville State University	(623,654)
Minot State University	(2,980,534)
Valley City State University	(1,215,404)
Dakota College at Bottineau	18,821
Total	<u>(\$37,117,930)</u>

<sup>3</sup> Funding is added to institutions through higher education funding formula adjustments and supplemental funding allocations as follows:

	<b>Base Funding Formula Adjustments</b>	<b>Supplemental Funding</b>	<b>Total</b>
Bismarck State College	\$1,887,437	\$1,055,755	\$2,943,192
Lake Region State College	2,071,604	442,613	2,514,217
Williston State College	(459,708)	302,652	(157,056)
University of North Dakota	12,628,220	6,628,459	19,256,679
North Dakota State University	10,856,018	4,648,680	15,504,698
State College of Science	4,548,572	1,321,021	5,869,593
Dickinson State University	(1,072,244)	774,209	(298,035)
Mayville State University	1,645,476	494,341	2,139,817
Minot State University	1,886,199	1,407,200	3,293,399
Valley City State University	3,806,850	752,170	4,559,020
Dakota College at Bottineau	505,063	257,036	762,099
Total	<u>\$38,303,487</u>	<u>\$18,084,136</u>	<u>\$56,387,623</u>

Funding for Minot State University is adjusted to discontinue \$2.5 million of flood recovery funding. Sections in the bill are also amended to provide for a remedial education weighting factor of 2.3 instead of 1.0 and to adjust the credit volume production factor levels.

<sup>4</sup> Funding is transferred from the University System office extraordinary repairs funding pool to institutions and entities under its control. The House transferred the funding from the institutions and entities to the University System office for the funding pool.

<sup>5</sup> Funding is added for the following major capital projects:

<b>Project</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Bismarck State College - Campus infrastructure	\$1,575,000		\$1,575,000
Bismarck State College - Student Union lower level renovation		\$600,000	600,000
Lake Region State College - Switchgear, electrical services, window replacement	1,648,423		1,648,423
University of North Dakota - Student engagement projects		6,000,000	6,000,000
University of North Dakota - Airport project	6,000,000		6,000,000
North Dakota State University - Aquatic center (\$10 million of revenue bonds)		11,000,000	11,000,000
North Dakota State University - Minard Hall		600,000	600,000
State College of Science - Infrastructure repairs	13,298,000		13,298,000
Valley City State University - Fine arts building	25,850,000		25,850,000
Valley City State University - Heating plant	14,289,000		14,289,000
Valley City State University - Health and wellness facility		16,000,000	16,000,000
Dakota College at Bottineau - Allied Health and Wellness Center		6,864,118	6,864,118
Dakota College at Bottineau - Dormitory upgrades (\$2.9 million of revenue bonds)		3,784,076	3,784,076
Dakota College at Bottineau - Nelson Science Center renovation	1,098,789		1,098,789
<b>Total</b>	<u>\$63,759,212</u>	<u>\$44,848,194</u>	<u>\$108,607,406</u>

The Senate did not adjust the House version which provided \$62 million from the general fund for Phase II of the University of North Dakota School of Medicine and Health Sciences facility project.

**House Bill No. 1003 - North Dakota University System - General Fund Summary of Conference Committee Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Conference Committee Changes</b>	<b>Conference Committee Version</b>	<b>Senate Version</b>	<b>Comparison to Senate</b>
University System office	\$111,561,723	\$140,301,201	(\$7,202,332)	\$133,098,869	\$129,085,863	\$4,013,006
Bismarck State College	33,071,327	37,987,006	168,820	38,155,826	38,947,119	(791,293)
Lake Region State College	12,584,464	15,274,092	1,361,887	16,635,979	16,747,104	(111,125)
Williston State College	12,981,307	12,532,922	215,343	12,748,265	13,109,251	(360,986)
University of North Dakota	154,094,571	223,998,846	16,447,058	240,445,904	241,592,835	(1,146,931)
UND Medical Center	52,762,590	72,274,239	(836,843)	71,437,396	71,277,396	160,000
North Dakota State University	143,073,784	152,478,383	4,932,157	157,410,540	160,169,908	(2,759,368)
State College of Science	39,193,835	41,968,479	16,061,285	58,029,764	58,636,526	(606,762)
Dickinson State University	26,708,305	25,202,782	1,813,149	27,015,931	27,210,270	(194,339)
Mayville State University	14,723,416	15,216,363	1,522,782	16,739,145	17,091,518	(352,373)
Minot State University	44,709,831	46,790,745	1,967,436	48,758,181	48,003,230	754,951
Valley City State University	21,099,454	22,149,777	17,608,891	39,758,668	66,040,712	(26,282,044)
Dakota College at Bottineau	8,006,050	7,901,679	1,900,726	9,802,405	9,895,395	(92,990)
Forest Service	4,701,189	4,983,209	24,635	5,007,844	5,007,844	
<b>Total general fund</b>	<b>\$679,271,846</b>	<b>\$819,059,723</b>	<b>\$55,984,994</b>	<b>\$875,044,717</b>	<b>\$902,814,971</b>	<b>(\$27,770,254)</b>

**Detail of Conference Committee Changes to the General Fund**

	<b>Adjusts University System Office and Institution Funding<sup>1</sup></b>	<b>Removes House Funding Formula and Base Funding Adjustments<sup>2</sup></b>	<b>Provides Funding Formula Adjustments and Base Credit Rate Adjustments<sup>3</sup></b>	<b>Transfers Extraordinary Repairs Funding to Institutions<sup>4</sup></b>	<b>Adjusts Funding for Deferred Maintenance Initiative<sup>5</sup></b>	<b>Adds Funding for Capital Projects<sup>6</sup></b>
University System office	259,676			(11,162,008)	3,700,000	
Bismarck State College		(3,975,752)	3,509,499	417,673	217,400	
Lake Region State College		(2,844,995)	2,403,092	155,367	1,648,423	
Williston State College		535,584	(233,042)	197,801	(285,000)	
University of North Dakota	760,000	(12,074,256)	17,591,333	4,411,566	5,758,415	
UND Medical Center	160,000	(996,843)				
North Dakota State University		(10,545,417)	14,336,756	2,732,244	(1,591,426)	
State College of Science		(3,511,925)	5,537,929	1,012,379	13,022,902	
Dickinson State University	800,000	1,096,445	(492,374)	409,078		
Mayville State University		(623,654)	2,015,729	358,992	(228,285)	
Minot State University		(2,980,534)	4,048,350	899,620		
Valley City State University		(1,215,404)	4,370,214	408,319	14,045,762	
Dakota College at Bottineau		18,821	697,566	114,007	1,070,332	
Forest Service	(20,327)			44,962		
<b>Total general fund</b>	<b>\$1,959,349</b>	<b>(\$37,117,930)</b>	<b>\$53,785,052</b>	<b>\$0</b>	<b>\$37,358,523</b>	<b>\$0</b>

	<b>Total General Fund Changes</b>
University System office	(7,202,332)
Bismarck State College	168,820
Lake Region State College	1,361,887
Williston State College	215,343
University of North Dakota	16,447,058
UND Medical Center	(836,843)
North Dakota State University	4,932,157
State College of Science	16,061,285
Dickinson State University	1,813,149
Mayville State University	1,522,782
Minot State University	1,967,436
Valley City State University	17,608,891
Dakota College at Bottineau	1,900,726
Forest Service	24,635
Total general fund	<b>\$55,984,994</b>

**House Bill No. 1003 - North Dakota University System - Other Funds Summary of Conference Committee Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Conference Committee Changes</b>	<b>Conference Committee Version</b>	<b>Senate Version</b>	<b>Comparison to Senate</b>
University System office	\$2,299,912	\$2,011,216	\$500,000	\$2,511,216	\$2,511,216	
Bismarck State College			600,000	600,000	600,000	
Lake Region State College						
Williston State College						
University of North Dakota			6,000,000	6,000,000	6,000,000	
UND Medical Center						
North Dakota State University			11,600,000	11,600,000	11,600,000	
State College of Science						
Dickinson State University			2,000,000	2,000,000		2,000,000
Mayville State University						
Minot State University						
Valley City State University			16,000,000	16,000,000	16,000,000	
Dakota College at Bottineau			10,648,194	10,648,194	10,648,194	
Forest Service	1,650,000	1,650,000		1,650,000	1,650,000	
<b>Total other funds</b>	<b>\$3,949,912</b>	<b>\$3,661,216</b>	<b>\$47,348,194</b>	<b>\$51,009,410</b>	<b>\$49,009,410</b>	<b>\$2,000,000</b>

**Detail of Conference Committee Changes to Other Funds**

	<b>Adjusts University System Office and Institution Funding<sup>1</sup></b>	<b>Removes House Funding Formula and Base Funding Adjustments<sup>2</sup></b>	<b>Provides Funding Formula Adjustments and Base Credit Rate Adjustments<sup>3</sup></b>	<b>Transfers Extraordinary Repairs Funding to Institutions<sup>4</sup></b>	<b>Adjusts Funding for Deferred Maintenance Initiative<sup>5</sup></b>	<b>Adds Funding for Capital Projects<sup>6</sup></b>
University System office	500,000					
Bismarck State College						600,000
Lake Region State College						
Williston State College						
University of North Dakota						6,000,000
UND Medical Center						
North Dakota State University						11,600,000
State College of Science						
Dickinson State University	2,000,000					
Mayville State University						
Minot State University						
Valley City State University						16,000,000
Dakota College at Bottineau						10,648,194
Forest Service						
<b>Total other funds</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$44,848,194</b>

	<b>Total Other Funds Changes</b>
University System office	500,000
Bismarck State College	600,000
Lake Region State College	
Williston State College	
University of North Dakota	6,000,000
UND Medical Center	
North Dakota State University	11,600,000
State College of Science	
Dickinson State University	2,000,000
Mayville State University	
Minot State University	
Valley City State University	16,000,000
Dakota College at Bottineau	10,648,194
Forest Service	
<b>Total other funds</b>	<b>\$47,348,194</b>

**House Bill No. 1003 - North Dakota University System - All Funds Summary of Conference Committee Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Conference Committee Changes</b>	<b>Conference Committee Version</b>	<b>Senate Version</b>	<b>Comparison to Senate</b>
University System office	\$113,861,635	\$142,312,417	(\$6,702,332)	\$135,610,085	\$131,597,079	\$4,013,006
Bismarck State College	33,071,327	37,987,006	768,820	38,755,826	39,547,119	(791,293)
Lake Region State College	12,584,464	15,274,092	1,361,887	16,635,979	16,747,104	(111,125)
Williston State College	12,981,307	12,532,922	215,343	12,748,265	13,109,251	(360,986)
University of North Dakota	154,094,571	223,998,846	22,447,058	246,445,904	247,592,835	(1,146,931)
UND Medical Center	52,762,590	72,274,239	(836,843)	71,437,396	71,277,396	160,000
North Dakota State University	143,073,784	152,478,383	16,532,157	169,010,540	171,769,908	(2,759,368)
State College of Science	39,193,835	41,968,479	16,061,285	58,029,764	58,636,526	(606,762)
Dickinson State University	26,708,305	25,202,782	3,813,149	29,015,931	27,210,270	1,805,661
Mayville State University	14,723,416	15,216,363	1,522,782	16,739,145	17,091,518	(352,373)
Minot State University	44,709,831	46,790,745	1,967,436	48,758,181	48,003,230	754,951
Valley City State University	21,099,454	22,149,777	33,608,891	55,758,668	82,040,712	(26,282,044)
Dakota College at Bottineau	8,006,050	7,901,679	12,548,920	20,450,599	20,543,589	(92,990)
Forest Service	6,351,189	6,633,209	24,635	6,657,844	6,657,844	
<b>Total all funds</b>	<b>\$683,221,758</b>	<b>\$822,720,939</b>	<b>\$103,333,188</b>	<b>\$926,054,127</b>	<b>\$951,824,381</b>	<b>(\$25,770,254)</b>
FTE	2304.74	2422.35	8.00	2430.35	2430.35	0.00

**Detail of Conference Committee Changes to All Funds**

	<b>Adjusts University System Office and Institution Funding<sup>1</sup></b>	<b>Removes House Funding Formula and Base Funding Adjustments<sup>2</sup></b>	<b>Provides Funding Formula Adjustments and Base Credit Rate Adjustments<sup>3</sup></b>	<b>Transfers Extraordinary Repairs Funding to Institutions<sup>4</sup></b>	<b>Adjusts Funding for Deferred Maintenance Initiative<sup>5</sup></b>	<b>Adds Funding for Capital Projects<sup>6</sup></b>
University System office	759,676			(11,162,008)	3,700,000	
Bismarck State College		(3,975,752)	3,509,499	417,673	217,400	600,000
Lake Region State College		(2,844,995)	2,403,092	155,367	1,648,423	
Williston State College		535,584	(233,042)	197,801	(285,000)	
University of North Dakota	760,000	(12,074,256)	17,591,333	4,411,566	5,758,415	6,000,000
UND Medical Center	160,000	(996,843)				
North Dakota State University		(10,545,417)	14,336,756	2,732,244	(1,591,426)	11,600,000
State College of Science		(3,511,925)	5,537,929	1,012,379	13,022,902	
Dickinson State University	2,800,000	1,096,445	(492,374)	409,078		
Mayville State University		(623,654)	2,015,729	358,992	(228,285)	
Minot State University		(2,980,534)	4,048,350	899,620		
Valley City State University		(1,215,404)	4,370,214	408,319	14,045,762	16,000,000
Dakota College at Bottineau		18,821	697,566	114,007	1,070,332	10,648,194
Forest Service	(20,327)			44,962		
<b>Total all funds</b>	<b>\$4,459,349</b>	<b>(\$37,117,930)</b>	<b>\$53,785,052</b>	<b>\$0</b>	<b>\$37,358,523</b>	<b>\$44,848,194</b>
FTE	8.00	0.00	0.00	0.00	0.00	0.00

	<b>Total All Funds Changes</b>
University System office	(6,702,332)
Bismarck State College	768,820
Lake Region State College	1,361,887
Williston State College	215,343
University of North Dakota	22,447,058
UND Medical Center	(836,843)
North Dakota State University	16,532,157
State College of Science	16,061,285
Dickinson State University	3,813,149
Mayville State University	1,522,782
Minot State University	1,967,436
Valley City State University	33,608,891
Dakota College at Bottineau	12,548,920
Forest Service	24,635
Total all funds	\$103,333,188
FTE	8.00

<sup>1</sup> Funding is adjusted for the University System office, institutions, and the Forest Service as follows:

- University System office funding from the general fund is adjusted as follows:

	<b>General Fund</b>
Health insurance adjustment for system office employees	(\$24,782)
Health insurance adjustment for Core Technology Services employees	(72,566)
Internal audit funding pool	300,000
Adjust funding for academic and career and technical education scholarship program to provide scholarships of \$1,500 per year	(942,976)
Total	(\$740,324)

- A contingent general fund appropriation of \$1 million is added for University System office transition costs. The appropriation is contingent upon the State Board of Higher Education receiving Budget Section approval to spend the funds.
- Funding of \$500,000 from the student loan trust fund is added for tribal college assistance grants to provide total funding of \$1 million. The Senate also added this funding.
- Funding of \$160,000 is added to the University of North Dakota School of Medicine and Health Sciences for Department of Pathology services provided to other state agencies.
- One-time funding from the general fund of \$800,000 is added for document digitization and operations of the Theodore Roosevelt Center at Dickinson State University. The Senate also added this funding.
- One-time funding of \$2 million is added from the student loan trust fund for transitional leadership costs at Dickinson State University.
- Funding of \$2.5 million from the general fund provided by the House to Williston State College for extraordinary campus needs is classified as one-time funding. The Senate also classified the funding as one-time.
- One-time funding of \$760,000 from the general fund is added for maintenance and repairs to the North Dakota Museum of Art facility.
- Health insurance premium funding for the Forest Service is adjusted to reflect revised premium rates.
- The 2013-15 biennium FTE positions for the University System office are adjusted pursuant to Section 36 of 2013 Senate Bill No. 2003 which authorizes the State Board of Higher Education to adjust FTE positions as needed subject to the availability of funds.

<sup>2</sup> Adjustments made by the House for base level funding are removed as follows:

Bismarck State College	(\$3,975,752)
Lake Region State College	(2,844,995)
Williston State College	535,584
University of North Dakota	(12,074,256)
UND Medical Center	(996,843)
North Dakota State University	(10,545,417)
State College of Science	(3,511,925)
Dickinson State University	1,096,445
Mayville State University	(623,654)
Minot State University	(2,980,534)
Valley City State University	(1,215,404)
Dakota College at Bottineau	18,821
Total	(\$37,117,930)

<sup>3</sup> Funding is added to institutions through higher education funding formula adjustments and base credit rate adjustments as follows:

	<b>Base Funding Formula Adjustments</b>	<b>Base Credit Rate Adjustments</b>	<b>Total</b>
Bismarck State College	\$2,700,606	\$808,893	\$3,509,499
Lake Region State College	2,071,680	331,412	2,403,092
Williston State College	(459,657)	226,615	(233,042)
University of North Dakota	12,628,220	4,963,113	17,591,333
North Dakota State University	10,856,018	3,480,738	14,336,756
State College of Science	4,548,799	989,130	5,537,929
Dickinson State University	(1,072,073)	579,699	(492,374)
Mayville State University	1,645,585	370,144	2,015,729
Minot State University	2,970,186	1,078,164	4,048,350
Valley City State University	3,807,016	563,198	4,370,214
Dakota College at Bottineau	505,107	192,459	697,566
Total	\$40,201,487	\$13,583,565	\$53,785,052

Funding for Minot State University is adjusted to discontinue \$2.5 million of flood recovery funding. Sections in the bill are also amended to provide for a remedial education weighting factor of 2.3 instead of 1.0 and to adjust the credit volume production factor levels.

The Senate version provided \$38.3 million for base formula adjustments and \$18 million for base credit rate adjustments. Both the House and Senate versions discontinued \$2.5 million of flood recovery funding for Minot State University.

<sup>4</sup> Funding is transferred from the University System office extraordinary repairs funding pool to institutions and entities under its control. The House transferred the funding from the institutions and entities to the University System office for the funding pool and the Senate transferred the funds back to the institutions and entities.

<sup>5</sup> Funding is adjusted for a deferred maintenance initiative as follows:

- Funding for special assessment payoffs at campuses is reallocated for deferred maintenance needs.
- Funding is added for the following major capital projects to address campus deferred maintenance:

<b>Project</b>	<b>General Fund</b>
Bismarck State College - Campus infrastructure	\$1,575,000
Lake Region State College - Switchgear, electrical services, window replacement	1,648,423
University of North Dakota - Airport apron project	6,000,000
State College of Science - Infrastructure repairs	13,298,000

Valley City State University - Heating plant	14,289,000
Dakota College at Bottineau - Nelson Science Center renovation	1,098,789
<b>Total</b>	<u>\$37,909,212</u>

- Funding is added to the University System deferred maintenance funding pool to be allocated to eligible campuses for deferred maintenance projects. The funding pool is increased to \$8.7 million from the House and Senate versions which provided \$5 million.
- A portion of funding from a 2013-15 biennium appropriation for a system performance funding pool is reallocated for deferred maintenance and other campus needs at institutions affected by energy development.
- The following is a summary of funding adjustments for the deferred maintenance initiative:

	<b>Remove Special Assessments</b>	<b>Major Deferred Maintenance Projects</b>	<b>Deferred Maintenance Pool Grants</b>	<b>Deferred Maintenance and Extraordinary Needs</b>	<b>Total</b>
Bismarck State College	(\$1,357,600)	\$1,575,000	\$700,000		\$917,400
Lake Region State College		1,648,423	500,000		2,148,423
Williston State College	(285,000)			\$1,500,000	1,215,000
University of North Dakota	(241,585)	6,000,000	3,500,000		9,258,415
UND Medical Center					0
North Dakota State University	(1,591,426)		3,500,000		1,908,574
State College of Science	(275,098)	13,298,000			13,022,902
Dickinson State University				1,500,000	1,500,000
Mayville State University	(228,285)		500,000		271,715
Minot State University				500,000	500,000
Valley City State University	(243,238)	14,289,000			14,045,762
Dakota College at Bottineau	(28,457)	1,098,789		500,000	1,570,332
<b>Total</b>	<u>(\$4,250,689)</u>	<u>\$37,909,212</u>	<u>\$8,700,000</u>	<u>\$4,000,000</u>	<u>\$46,358,523</u>

- The deferred maintenance initiative also provides for institutions to reallocate funds to provide \$2 of matching funding for every \$1 of extraordinary repairs base funding used.

<sup>6</sup> Funding is added for the following major capital projects:

<b>Project</b>	<b>Other Funds</b>
Bismarck State College - Student Union lower level renovation	\$600,000
University of North Dakota - Student engagement projects	6,000,000
North Dakota State University - Aquatic center (\$10 million of revenue bonds)	11,000,000
North Dakota State University - Minard Hall	600,000
Valley City State University - Health and wellness facility	16,000,000
Dakota College at Bottineau - Allied Health and Wellness Center	6,864,118
Dakota College at Bottineau - Dormitory upgrades (\$2.9 million of revenue bonds)	3,784,076
<b>Total</b>	<u>\$44,848,194</u>

The Conference Committee amendments do not adjust the House and Senate versions which provide \$62 million from the general fund for Phase II of the University of North Dakota School of Medicine and Health Sciences facility project.

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

This amendment also:

- Amends Section 15-10-12.1 regarding legislative approval for campus building and maintenance projects.
- Amends Section 15-10-17 regarding the authority to set tuition and fees at institutions of higher education.
- Adds a new section to Chapter 15-10 to require capital projects to conform to University System master plan and space utilization studies and to require future capital project budget requests for new buildings over \$5 million to include a 3 percent funding request for future building maintenance costs.
- Adds a new section to Chapter 15-10 relating to consolidated use of electronic mail, file server administration, database administration, application server, and hosting services by higher education institutions.
- Adds a new section to Chapter 15-10 to exempt computer audit risk assessment results from open records requirements.
- Adds two new sections to Chapter 15-10 to create a unified workforce, vocational, and technical education program system and to create a workforce education advisory council.
- Amends Sections 54-44.1-04 and 54-44.1-06 to require budget requests of institutions and entities under the control of the State Board of Higher Education to include the same detailed information as budget requests of other state agencies.
- Amends Section 16 of the bill to cancel the appropriation authority provided for a 2013-15 biennium higher education performance funding pool.
- Cancels \$550,000 of the 2013-15 biennium general fund appropriation for the University of North Dakota Bismarck Family Practice Center skywalk project and requires the remaining funding of \$200,000 to be provided as a grant for the development of civics curriculum.
- Requires University System institutions to reimburse the Department of Transportation for costs associated with previous use of State Fleet Services motor coaches.
- Requires comprehensive performance evaluations of the chancellor, vice chancellors, institution presidents, and institution vice presidents if the individuals have been employed in those positions for at least three years.
- Requires the State Board of Higher Education to address identified data inconsistency issues and report to the 65th Legislative Assembly regarding the status of the inconsistencies.
- Requires the State Board of Higher Education to provide a report to the appropriations committees of the 65th Legislative Assembly regarding the use of funds received by each campus from permanent constitutional fund income distributions.
- Requires Williston State College to provide a report to the appropriations committees of the 65th Legislative Assembly regarding the use of extraordinary campus needs funding.
- Provides for a Legislative Management study of higher education course delivery methods.
- Provides for a Legislative Management study of the missions of institutions under the control of the State Board of Higher Education.

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

This amendment also:

- Adds a contingent general fund appropriation of \$46 million for the North Dakota State University Dunbar Hall project. The appropriation is contingent upon actual general fund revenues during the first 11 months of the 2015-17 biennium exceeding legislative estimates during the same time period by at least \$50 million.
- Removes Section 6 regarding legislative approval of campus capital projects.
- Removes Section 7 regarding the authority of the State Board of Higher Education to set tuition rates at institutions under its control.
- Removes Section 8 which would require a maintenance reserve account to be established for certain new capital projects.
- Removes Section 20 which adjusts the academic and career and technical scholarship award amount.
- Removes Section 21 regarding higher education audits.
- Adjusts Section 22 to authorize the State Board of Higher Education to employ intellectual property attorneys at research institutions.
- Adjusts Section 27 regarding distributions from systemwide funding pools.
- Amends Section 35 to allow the University System to continue funds from the 2013-15 biennium performance funding pool and authorizes the transfer of the funds to institutions affected by energy development.

- Amends Section 36 to remove the requirement for the State Board of Higher Education to provide a grant for civics education.
- Removes Section 37 regarding reimbursement to State Fleet Services for motor coaches.
- Removes Section 38 regarding comprehensive evaluations of certain University System employees.
- Adds a section regarding employee severance payments.
- Adds a section to clarify that the State Board of Higher Education may conduct internal audits.
- Adds a section to authorize the State Board of Higher Education to adjust FTE positions at institutions and entities under its control.
- Adds a section to authorize the issuance of revenue bonds for projects at Dakota College at Bottineau and North Dakota State University.
- Adds a section to limit tuition rate increases to 2.5 percent per year during the 2015-17 biennium at University System institutions unless an institution receives Budget Section approval.
- Adds a section to provide for a report from the State Board of Higher Education to the Legislative Management regarding the financial conditions of Dickinson State University.
- Adds a Legislative Management study of institution administration costs.
- Makes various technical adjustments.

### **House Bill No. 1003 - Other Changes - Conference Committee Action**

This amendment also:

- Removes Section 6 regarding legislative approval of campus capital projects. The Senate also removed this section.
- Removes Section 7 regarding the authority of the State Board of Higher Education to set tuition rates at institutions under its control. The Senate also removed this section.
- Removes Section 8 which would require a maintenance reserve account to be established for certain new capital projects. The Senate also removed this section.
- Adjusts Section 9 regarding the hosting of information technology services.
- Removes Section 20 which adjusts the academic and career and technical scholarship award amount. The Senate also removed this section.
- Removes Section 21 regarding higher education audits. The Senate also removed this section.
- Adjusts Section 22 to clarify the status of higher education attorneys employed by the Attorney General as it relates to federal education privacy laws.
- Adjusts Section 27 regarding distributions from systemwide funding pools.
- Amends Section 35 to allow the University System to continue \$4 million of funds from the 2013-15 biennium performance funding pool and authorizes the transfer of the funds to institutions affected by energy development.
- Amends Section 36 to remove the requirement for the State Board of Higher Education to provide a grant for civics education. The Senate also made this amendment.
- Removes Section 37 regarding reimbursement to State Fleet Services for motor coaches. The Senate also removed this section.
- Removes Section 38 regarding comprehensive evaluations of certain University System employees. The Senate also removed this section.
- Adds a section regarding employee severance payments. The Senate also added this section.
- Adds a section to clarify that the State Board of Higher Education may conduct internal audits. The Senate also added this section.
- Adds a section to authorize the State Board of Higher Education to adjust FTE positions at institutions and entities under its control. The House removed this section and the Senate added it back.
- Adds a section to authorize the issuance of revenue bonds for projects at Dakota College at Bottineau and North Dakota State University. The Senate also added this section.
- Adds a section to limit tuition rate increases to 2.5 percent per year during the 2015-17 biennium at University System institutions unless an institution receives Budget Section approval. The Senate also added this section.
- Adds a section to provide for a report from the State Board of Higher Education to the Legislative Management regarding the financial conditions of Dickinson State University. The Senate also added this section.
- Adds a Legislative Management study of institution administration costs. The Senate also added this study.
- Adds a section of legislative intent regarding salaries of higher education attorneys employed by the Attorney General.

- Adds contingent general fund appropriations for the Valley City State University Fine Arts building project and the North Dakota State University Dunbar Hall project. The appropriations are contingent on actual general fund revenues exceeding legislative estimates by specified amounts during the 2015-17 biennium.
- Adds a section to cancel 2013-15 biennium appropriations for the Dickinson State University Theodore Roosevelt Center unless the institution certifies to the Office of Management and Budget that project will commence prior to January 1, 2017.
- Makes various technical adjustments.