

**University of North Dakota School of Medicine and Health Sciences
Budget 232
House Bill No. 1003**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriation (original)	184.58	\$76,705,246 ^{1,2}	\$0	\$76,705,246
2013-15 legislative appropriation	<u>156.55</u>	<u>60,177,396</u>	<u>0</u>	<u>60,177,396</u>
2015-17 appropriation increase (decrease) to 2013-15 appropriation	28.03	\$16,527,850	\$0	\$16,527,850
2015-17 general fund budget allotment (4.05 percent)	<u>0.00</u>	<u>(\$3,106,562)</u>	<u>\$0</u>	<u>(\$3,106,562)</u>
Adjusted 2015-17 appropriation after budget allotment	184.58	\$73,598,684	\$0	\$73,598,684

¹The 2015-17 biennium legislative appropriations have been adjusted to reflect a transfer of operations funding of \$5,267,850 from the University of North Dakota (UND) to the UND School of Medicine and Health Sciences as provided in Section 30 of 2015 House Bill No. 1003.

²This amount includes one-time funding. Excluding this amount, the institution's ongoing general fund appropriation is \$58,190,440.

Item Description

General fund budget allotment - In February 2016 the Governor ordered a 4.05 percent general fund budget allotment for state agencies.

Enrollment - At the end of the 2015 regular legislative session, the UND School of Medicine and Health Sciences FTE student enrollment projection for the 2015-17 biennium was 1,361 for the fall 2015 semester and 1,374 for the fall 2016 semester.

Tuition collections - The University of North Dakota School of Medicine and Health Sciences estimated tuition revenue to be \$33.6 million for the 2015-17 biennium.

Status/Result

The budget allotment reduced general fund appropriations for the UND School of Medicine and Health Sciences by \$3,106,562. The school reduced its operations line item for the entire allotment amount. As part of the reduction, the school is reducing various operating expenses, including leaving vacant positions open and offering voluntary faculty and staff separations. The school is also delaying the implementation of certain components of the Healthcare Workforce Initiative, including a delay in implementing new postgraduate residency positions.

The estimated enrollment for the school remains unchanged.

The current estimate for tuition collections for the UND School of Medicine and Health Sciences for the 2015-17 biennium is \$33.6 million, the same as projected.

Health care workforce initiative - In Section 2 of House Bill No. 1003, the Legislative Assembly identified \$137,115,518 of funding from the general fund as one-time funding items for the North Dakota University System. Of this amount, \$18,514,806 is for costs related to the continued implementation of the health care workforce initiative at the UND School of Medicine and Health Sciences.

UND School of Medicine and Health Sciences facility project - Section 28 of 2013 Senate Bill No. 2003 authorized the construction of the UND School of Medicine and Health Sciences facility project to be funded in two phases. The Legislative Assembly appropriated \$60,450,000 from the general fund to UND for the first phase of the project. In 2015 House Bill No. 1003, the Legislative Assembly appropriated \$62 million from the general fund for Phase II of the project.

The school is continuing to implement the health care workforce initiative. As part of the initiative, class sizes are being increased by 16 medical students, 30 health science students, and 17 postgraduate resident positions per year. In total, the number of new medical students will be increased by 64, the number of new health sciences students will be increased by 90, and the number of new postgraduate resident positions will be increased by 51.

Due to the February 2016 general fund budget allotment, the implementation of the new postgraduate resident positions authorized for the 2015-17 biennium is being delayed.

Construction on the new facility began in June 2014. The facility will consist of 325,446 square feet on four floors. Construction is estimated to be completed during the summer of 2016 and be within budget.