

**NDSU Main Research Center
Budget 640
House Bill No. 1020**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriation (original)	353.85	\$59,067,612 ¹	\$78,098,525	\$137,166,137
2013-15 legislative appropriation	<u>351.49</u>	<u>58,606,521</u>	<u>53,053,716</u>	<u>111,660,237</u>
2015-17 appropriation increase (decrease) to 2013-15 appropriation	2.36	\$461,091	\$25,044,809	\$25,505,900
2015-17 general fund budget allotment (4.05 percent)	<u>0.00</u>	<u>(\$2,392,238)</u>	<u>\$0</u>	<u>(\$2,392,238)</u>
Adjusted 2015-17 appropriation after budget allotment	353.85	\$56,675,374	\$78,098,525	\$134,773,899

¹The original legislative appropriation amount includes \$1,722,500 of one-time funding from the general fund. Excluding this amount, the agency's original ongoing general fund appropriation is \$57,345,112.

Item Description

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

State Board of Agricultural Research and Education priorities - The Legislative Assembly provided funding for the State Board Agriculture Research Education priorities as follows:

Initiative	Priority Ranking	FTE	Appropriation
Bioinformatics	1	2.00	\$800,000
Precision agriculture	2		600,000
Enhancing research infrastructure	3		550,000
Total general fund		2.00	\$1,950,000

Status/Result

The budget allotment reduced general fund appropriations for the North Dakota State University Main Research Center by \$2,392,238. The Main Research Center is monitoring hiring practices and operating, professional development, equipment, and travel expenses to identify budget savings. Any additional funds necessary to meet the allotment amount will be provided from other funds.

The Main Research Center has made offers for the 2 bioinformatics FTE positions and anticipates the candidates will begin working in June 2016 and August 2016.

The Legislative Assembly appropriated \$600,000 from the general fund for precision agriculture operating expenses and grants. The Main Research Center formed an internal grant committee, which reviewed 25 proposals totaling \$1.8 million. The committee awarded \$580,878 to nine of the proposed projects. The remaining \$19,122 is being retained for contingencies.

The Legislative Assembly appropriated \$550,000 from the general fund for enhancing research infrastructure. The funding has been allocated for purchases of equipment over \$5,000. The Main Research Center identified equipment purchases as an item that may be affected by the general fund budget allotment.

One-time funding - In Section 2 of House Bill No. 1020, the Legislative Assembly identified \$22,872,500 of one-time funding for the Main Research Center, including \$1,722,500 from the general fund.

Rural leadership project	\$150,000
Flooded lands study	72,500
Seed cleaning plants	4,500,000
Central Grasslands Research Center agronomy laboratory	150,000
Veterinary diagnostics laboratory	18,000,000
Total	\$22,872,500

The following is a summary of the status of the Main Research Center's one-time funding:

Rural leadership project	The Legislative Assembly appropriated \$150,000 from the general fund to support the development of a collaborative leadership project for the purpose of marketing and fundraising for leadership projects and may include an annual leadership summit. As of March 31, 2016, the Main Research Center has spent \$17,742 on the rural leadership project. A leadership conference was held in Bismarck in April 2016.
Flooded lands study	The Legislative Assembly appropriated \$72,500 from the general fund to continue the flooded lands study relating to the recovery of grasslands affected by Souris River flooding. As of March 31, 2016, the Main Research Center has spent \$2,304 on the flooded lands study. The Main Research Center provided a status update to the Budget Section in December regarding the study and anticipates the remaining funds will be spent by the end of the biennium.
Seed cleaning plants	The Legislative Assembly appropriated \$4.5 million, including \$1.5 million from the general fund, for seed cleaning plants at the North Central Research Extension Center and the Carrington Research Extension Center. Each of the two branch research centers was allocated \$750,000 from the general fund to purchase or construct a seed cleaning facility. The North Central Research Extension Center is researching options for seed cleaning facilities and the Carrington Research Extension Center is developing a capital project request for the State Board of Higher Education to consider approval of the center's plan to construct a 2,800 square-foot steel building.
Central Grasslands Research Center agronomy laboratory	The Legislative Assembly appropriated \$150,000 from other funds for the Central Grasslands Research Extension Center agronomy laboratory. The Main Research Center also received carryover authority of \$400,000 appropriated from the general fund for the 2013-15 biennium for the Central Grasslands Research Extension Center to provide a total of \$550,000 for the agronomy laboratory project. The Main Research Center has accepted a bid of \$480,211 to construct the agronomy laboratory. In addition, \$41,802 has been allocated for laboratory equipment and the remaining \$27,987 is being retained for construction contingencies. The Main Research Center made no major changes to the project scope for the agronomy laboratory.

Veterinary diagnostics laboratory	The Legislative Assembly appropriated \$18 million from the strategic investment and improvements fund for the construction of a new veterinary diagnostics laboratory. The Main Research Center has accepted a bid for the project and construction was scheduled to begin in spring 2016. The Main Research Center anticipates using the entire \$18 million appropriation and completing construction by fall 2017.
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Transfer authority - In Section 14 of House Bill No. 1020, the Legislative Assembly authorized the State Board of Agricultural Research and Education and appropriate branch research center directors to transfer appropriation authority within the North Dakota State University Extension Service, Northern Crops Institute, branch research centers, and the Main Research Center. Any amounts transferred must be reported to the Office of Management and Budget.

To date there have been no transfers of appropriation authority within the North Dakota State University Extension Service, Northern Crops Institute, branch research centers, and the Main Research Center, and the agency does not anticipate the need to make any transfers during the remainder of the 2015-17 biennium.