

**North Dakota State University
Budget No. 235
House Bill No. 1003 and Senate Bill No. 2297**

	FTE Positions	General Fund	Other Funds	Total
2019-21 legislative appropriation	1,870.16	\$132,714,983	\$789,158,884	\$921,873,867
2017-19 legislative appropriation	<u>1,895.66</u>	<u>157,126,235¹</u>	<u>689,386,329</u>	<u>846,512,564</u>
2019-21 appropriation increase (decrease) to 2017-19 appropriation	(25.50)	(\$24,411,252)	\$99,772,555	\$75,361,303

¹This amount includes a supplemental appropriation of \$28 million provided in Senate Bill No. 2297 for the Dunbar Hall and agriculture products development center projects.

Item Description

Enrollment - At the end of the 2019 regular legislative session, the North Dakota State University (NDSU) FTE student enrollment projection for the 2019-21 biennium was 12,400 for the fall 2019 semester and 12,500 for the fall 2020 semester.

Tuition collections - In the 2019-20 fiscal year budget approved by the State Board of Higher Education, tuition revenue for NDSU for the 2019-20 fiscal year was estimated to be \$117.5 million.

Higher education challenge matching grant program - In Section 1 of House Bill No. 1003, the Legislative Assembly appropriated \$9.4 million from the general fund to the University System office for the higher education challenge matching grant program. North Dakota State University may be awarded up to \$1.7 million under the program.

Extraordinary repairs - The Legislative Assembly, in House Bill No. 1003, appropriated \$2,732,244 from the general fund to NDSU for extraordinary repairs. The funding is considered Tier I of the new capital building fund program, but is included in the institution's capital assets line item. Pursuant to Senate Bill No. 2015 (2019), an institution may transfer funding from its capital assets line item to its operations line item after it has matched and committed 75 percent of the funding appropriated from the general fund for extraordinary repairs.

Capital building fund - In addition to appropriating funding for specific capital projects, the 2019 Legislative Assembly established a capital building fund program for the 2019-21 biennium. The Legislative Assembly appropriated \$10 million from Bank of North Dakota profits as Tier II funding under the capital building fund program. The Tier II funding is appropriated directly to each institution and must be matched by the institutions with \$1 from operations or other sources for each \$1 from Bank profits. The Legislative Assembly appropriated \$9 million, including \$7 million from Bank profits and

Status/Result

The actual fall 2019 semester FTE enrollment was 11,704, 696 less than projected and 690 less than the fall 2018 semester.

The current estimate for tuition collections for the 2019-20 fiscal year is \$117.5 million, the same as projected.

Through May 4, 2020, the NDSU Foundation has been awarded the entire \$1.7 million in grant funding through the program.

North Dakota State University anticipates matching the entire \$2,732,244 for use on extraordinary repairs projects.

Through April 2020, NDSU has not requested funds from Tier II or Tier III of the capital building fund program. The institution is delaying the match and use of funds in response to the COVID-19 pandemic.

\$2 million from the general fund, as Tier III funding under the capital building fund program. The Tier III funding is appropriated to the University System office, to be allocated to the institutions as matching funds are committed and must be matched by the institutions with \$2 from operations or other sources for each \$1 appropriated as Tier III funding. After an institution has matched 75 percent of the funding appropriated from the general fund as Tier I for institution extraordinary repairs and subject to State Board of Higher Education approval, each institution may use money from Tier II and Tier III of its capital building fund for extraordinary repairs and deferred maintenance projects that do not exceed \$700,000 and do not increase the square footage of a building.

North Dakota State University was appropriated \$2,899,596 from Bank of North Dakota profits in Tier II and was allocated \$2,250,000 from Tier III under the capital building fund program.

Capital projects - The Legislative Assembly appropriated funding for the following capital projects at NDSU for the 2019-21 biennium:

	Other Funds	2017-19 General Fund Appropriation	Total
Barry Hall	\$3,000,000	\$0	\$3,000,000
Indoor practice facility	37,200,000	0	37,200,000
Indoor softball facility	2,000,000	0	2,000,000
University Village Phase 2	37,600,000	0	37,600,000
Dunbar Hall	43,200,000	8,000,000	51,200,000
Agriculture products development center	40,000,000	20,000,000	60,000,000
Total	\$163,000,000	\$28,000,000	\$191,000,000

Campus network upgrades - In Section 32 of House Bill No. 1003, the Legislative Assembly transferred \$1.5 million from the Bank of North Dakota to NDSU for campus network upgrades.

North Dakota State University has begun fundraising for the Barry Hall, indoor practice facility, and indoor softball facility projects.

North Dakota State University has issued revenue bonds for the University Village Phase 2 project. The institution anticipates requesting carryover for the project from the 2021 Legislative Assembly.

North Dakota State University was appropriated \$51.2 million, including \$8 million from a supplemental 2017-19 biennium general fund appropriation, \$40 million from bonds, and \$3.2 million from other funds for the Dunbar Hall replacement project. Construction has begun on Sugihara Science Hall to replace Dunbar Hall, and NDSU anticipates project completion in June 2022.

North Dakota State University was appropriated \$60 million, including \$20 million from a supplemental 2017-19 biennium general fund appropriation, \$20 million from bonds, and \$20 million from other funds for the agriculture products development center project. Fundraising for the project is ongoing.

North Dakota State University is using the funding for network upgrades and anticipates spending the entire appropriation by the end of the 2019-21 biennium.